**OFFERING MEMORANDUM** **NOT FOR GENERAL DISTRIBUTION IN THE UNITED STATES**

# FORVIA S.E.

*(incorporated under the laws of France as a société européenne (societas europaea), i.e., a limited liability company)*

## €750,000,000 5.625% Senior Notes due 2030

FORVIA S.E. (the "**Issuer**" or "**FORVIA**") is offering (the "**Offering**") €750,000,000 of its 5.625% Senior Notes due 2030 (the "**Notes**"). The Issuer will pay interest on the Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2025 (short first coupon).

The Notes will bear interest at a rate of 5.625% per annum. The Notes will mature on June 15, 2030.

The Notes will be senior unsecured obligations of the Issuer. The Notes will rank equally with all of the Issuer's existing and future unsecured senior debt and senior to all its existing and future subordinated debt. The Notes will be effectively subordinated to all secured indebtedness, if any, of the Issuer to the extent of the value of the assets securing such indebtedness. The Notes will not be guaranteed by the Issuer's subsidiaries and therefore also are or will be structurally junior to all debt of the Issuer's subsidiaries.

The proceeds of the Notes will be used to repay existing indebtedness (each in full or in part). See "*Use of Proceeds.*"

The Issuer may redeem, in whole or in part, the Notes at any time prior to June 15, 2027, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, plus the applicable "make-whole" premium. The Issuer may also redeem, in whole or in part, the Notes at any time on or after June 15, 2027, at redemption prices that vary depending on the year of redemption, as set forth in this offering memorandum (the "**Offering Memorandum**"). In addition, the Issuer may, at its option and on one or more occasions, redeem up to 40% of the aggregate principal amount of the Notes at any time prior to June 15, 2027, with the net proceeds from one or more specified equity offerings at a redemption price for the Notes equal to 105.625% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to the redemption date. In the event of certain developments affecting taxation, the Issuer may redeem all, but not less than all, of the Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, holders of the Notes may cause the Issuer to repurchase the Notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, if the Issuer undergoes specific kinds of changes of control.

Application has been made to list the Notes on the official list of Euronext Dublin (the "**Official List**") and admit the Notes to trading on the Global Exchange Market and this Offering Memorandum constitutes listing particulars for that purpose. There can be no assurance that such application will be successful or that any such listings will be granted or maintained.

Investing in the Notes involves risks. You should carefully consider the risks set out under "*Risk Factors*" in this Offering Memorandum before investing in the Notes.

The Notes will be issued in registered form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Except as described herein, Notes in definitive form will not be issued. The Notes will be represented on the issue date by one or more global notes, which will be delivered through Euroclear Bank SA/NV and Clearstream Banking, S.A., on or about March 24, 2025. See "*Book-Entry, Delivery and Form.*"

**Issue price for the Notes: 100.000%**
**plus accrued and unpaid interest from the Issue Date.**

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or any other jurisdiction. The Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold within the United States only to "qualified institutional buyers" ("**QIBs**") in accordance with Rule 144A under the Securities Act ("**Rule 144A**") and outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act ("**Regulation S**"). You are hereby notified that the sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. Neither the United States Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Notes or passed upon the accuracy or adequacy of this Offering Memorandum or any supplement thereto. Any representation to the contrary is a criminal offense in the United States. See "*Notice to U.S. Investors,*" "*Notice to Certain Investors*" and "*Transfer Restrictions*" for additional information about eligible offerees and transfer restrictions.

*Joint Global Coordinators and Joint Physical Bookrunners*

**Natixis** *(B&D)* **Société Générale**

*Joint Bookrunners*

**BofA Securities** **CIC Market Solutions**

*Co-Managers*

**Commerzbank** **Deutsche Bank** **Helaba** **IMI – Intesa Sanpaolo**

The date of this Offering Memorandum is March 24, 2025.

**TABLE OF CONTENTS**

IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM ..... i
CERTAIN DEFINITIONS ..... vi
PRESENTATION OF FINANCIAL AND OTHER INFORMATION ..... x
MARKET AND INDUSTRY DATA ..... xii
INFORMATION INCORPORATED BY REFERENCE ..... xiii
FORWARD-LOOKING STATEMENTS ..... xiv
SUMMARY ..... 1
RISK FACTORS ..... 35
USE OF PROCEEDS ..... 60
CAPITALIZATION ..... 61
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS ..... 63
BUSINESS ..... 88
MANAGEMENT ..... 138
PRINCIPAL SHAREHOLDERS AND RELATED PARTY TRANSACTIONS ..... 142
DESCRIPTION OF OTHER INDEBTEDNESS ..... 143
DESCRIPTION OF THE NOTES ..... 152
BOOK-ENTRY, DELIVERY AND FORM ..... 186
TAXATION ..... 192
ERISA CONSIDERATIONS ..... 199
CERTAIN INSOLVENCY AND ENFORCEABILITY CONSIDERATIONS ..... 201
PLAN OF DISTRIBUTION ..... 224
TRANSFER RESTRICTIONS ..... 228
ENFORCEABILITY OF JUDGMENTS ..... 233
WHERE YOU CAN FIND ADDITIONAL INFORMATION ..... 235
LISTING AND GENERAL INFORMATION ..... 236
THE ISSUER ..... 238
LEGAL MATTERS ..... 239
INDEPENDENT STATUTORY AUDITORS ..... 240

## IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM

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

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

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

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

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

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

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

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

This Offering Memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. Laws in certain jurisdictions may restrict the distribution of this

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

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

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

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

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

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

## STABILIZATION

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

## NOTICE TO U.S. INVESTORS

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

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

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

## NOTICE TO CERTAIN INVESTORS

### *General*

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

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

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

### *Notice to Prospective Investors in the United Kingdom*

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

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

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

### *UK PRIIPs Regulation / Prohibition of Sales to UK Retail Investors*

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

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

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

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

***PRIIPs Regulation / Prohibition of Sales to EEA Retail Investors***

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

***Notice to Prospective Investors in Canada, Australia and Japan***

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

***Notice to Prospective Investors in Italy***

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

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

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

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

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

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

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

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

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

## CERTAIN DEFINITIONS

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

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

- "**Controlled Emissions**" means Scope 3 Emissions, excluding emissions of vehicles equipped with FORVIA products, but including emissions from upstream and downstream activities: purchases, lease, freight, travel, our use of products, waste and recycling;

- "**EIB Loan**" refers to the €315 million loan due 2029 from the European Investment Bank as part of a program to partially finance the Group's investments in hydrogen mobility activities, under which €315 million was drawn as of December 31, 2024;

- "**FCE Europe**" refers to Faurecia Clarion Electronics Europe, formerly, Parrot Faurecia Automotive SAS;

- "**Fitch**" means Fitch Ratings Inc. or any successor to its rating business;

- "**g**" refers to the unit of mass, "gram";

- "**g/km**" refers to grams per kilometer;

- "**HELLA**" means HELLA GmbH & Co KGaA, a majority-owned subsidiary of FORVIA SE since the HELLA Acquisition was consummated and a limited partnership with shares (*Kommanditgesellschaft auf Aktien*) incorporated under the laws of Germany, registered with the Commercial Register (*Handelsregister*) of Paderborn under number HRB 6857, with its registered office at Rixbecker Straße 75, 59552 Lippstadt, Germany, including its consolidated subsidiaries where the context so requires;

- "**HELLA 2027 Notes**" refers to the €500 million in principal amount of 0.5% Notes due 2027 which HELLA issued in September 2019;

- "**HELLA Acquisition**" means our acquisition of HELLA which was completed on January 31, 2022;

- "**HELLA Credit Facility Agreement**" refers to a syndicated credit facility agreement, under which a consortium of international banks have agreed to lend to HELLA up to €450 million pursuant to the terms thereof, including an option to increase the facility by an additional €150 million, which expires in December 2026, with possible extension to December 2027 (the "**HELLA Credit Facility**");

- "**HELLA Family Pool**" means the Hueck family shareholders of HELLA having concluded a pooling agreement between them, and collectively our largest shareholder with approximately 9% of our share capital;

- "**HELLA Indebtedness**" refers collectively to (i) the HELLA 2027 Notes, (ii) the HELLA Japanese Yen Debt, (iii) the HELLA USD Loan and (iv) the HELLA SSD, together with financial liabilities from finance leases and profit participation certificates and amounts outstanding under the HELLA Credit Facility, if any;

- "**HELLA Japanese Yen Debt**" refers to (i) notes certificates denominated in Japanese Yen for an amount of JPY 12 billion, issued by HELLA in September 2002, due September 2032, carrying an annual interest of 3.50% (accruing in Japanese Yen) payable on March 17 and September 17 each year (the "**HELLA JPY Notes**"), and (ii) a loan denominated in Japanese Yen for an amount of JPY 10 billion, issued by HELLA in fiscal year 2003, due June 2033, carrying annual interest of 4.02% (accruing in U.S. dollars), payable on June 20 and December 20 each year (the "**HELLA JPY Loan**");

- "**HELLA SSD**" refers the €200 million senior unsecured Schuldschein issue completed in March 2024;

- "**HELLA USD Loan**" refers to loans denominated in U.S. dollars, in the equivalent amount of U.S.$75 million, due in January 2026;

- "**HMI**" refers to human-machine interfaces;

- "**Initial Purchasers**" refers to Natixis, Société Générale, BofA Securities Europe SA, Deutsche Bank Aktiengesellschaft, Crédit Industriel et Commercial S.A., Commerzbank Aktiengesellschaft, Intesa Sanpaolo S.p.A. and Landesbank Hessen-Thüringen Girozentrale;

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

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

- "**Sustainable Mobility**" refers to our development of products and processes which reduce $CO_2$ emissions, improve air quality, weight reduction, size reduction, energy recovery and the development of bio-sourced and renewable materials;

- "**Syndicated Credit Facility**" means the credit facility provided under the Senior Credit Agreement; and

- "**Term Loan**" refers to the €500 million syndicated loan with a maturity to June 2, 2026, subject to possible extensions through June 2, 2028, and with an interest rate varying depending on the achievement of the Group's target for $CO_2$ neutrality for its scope 1, 2 and 3 controlled emissions (see "*Business—Sustainable Development—Ambition to be $CO_2$ neutral for Controlled Emissions by 2030*").

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

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

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

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

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

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

### *Constant Basis Presentation and Other Non-IFRS Measures*

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

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

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

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

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

## MARKET AND INDUSTRY DATA

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

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

## INFORMATION INCORPORATED BY REFERENCE

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

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

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

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

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

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

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

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

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

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

## FORWARD-LOOKING STATEMENTS

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

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

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

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

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

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

## SUMMARY

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

### Our Company

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

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

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

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

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

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

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

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

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

***Business Groups***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

***Customers***

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

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

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

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

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

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

**Our Competitive Strengths**

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

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

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

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

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

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

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

***Attractive industry benefitting from key automotive megatrends***

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

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

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

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

<u>New Products</u>

- **Clean mobility:** accelerating innovation for powertrain electrification and investing in zero and ultra-low emissions solutions, supported by incentives and regulatory push and responsive to an increase in global demand for mild hybrid and high voltage solutions. Recently launched products include battery and power electronics for 12v and 48v, high voltage energy management and thermal management systems;

- **Autonomous driving:** focusing on short time-to-market technology bricks for the Cockpit of the Future adaptable to autonomous driving, reflecting an increasing importance of software and higher willingness of customers to pay for automated driving features. Recently launched products include radars and sensors, x-by-wire applications, cameras, automated parking electronic control units ("ECU") and systems; and

- **Connected vehicles:** offering new functionalities through integrated electronics as cars develop into "computers on wheels," driven in part by safety regulations. Recently launched products include cockpit technologies and software, security with smart car access, zonal modules and ECUs.

<u>New Customers</u>

- rising Asian OEMs developing vehicles adapted to Asian consumers;

- pure electric vehicle consumers;

- Mobility as a Service ("MaaS") operators, fleets and cities; and

- high horsepower engine manufacturers.

<u>New Business Models</u>

- increased role of personalized user experiences;

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

***Technological innovations leveraging on a strong ecosystem of partners***

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

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

Source: Company filings. December full-year calendarization.

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

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

FORVIA received four accolades at the CES 2024 Innovation Awards in the category "Vehicle Tech & Advanced Mobility":

- Hella's Flatlight | µMX technology;
- Skyline Immersive Display;
- eMirror Safe UX; and
- Light Tile for Transparent Doo.

*Note: * in 2030 vs. 2019*

*Strategic and technology partnerships*

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

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

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

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

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

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

*Investment in start-ups and technology platforms*

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

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

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

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

*Academic partnerships and collaborative innovation*

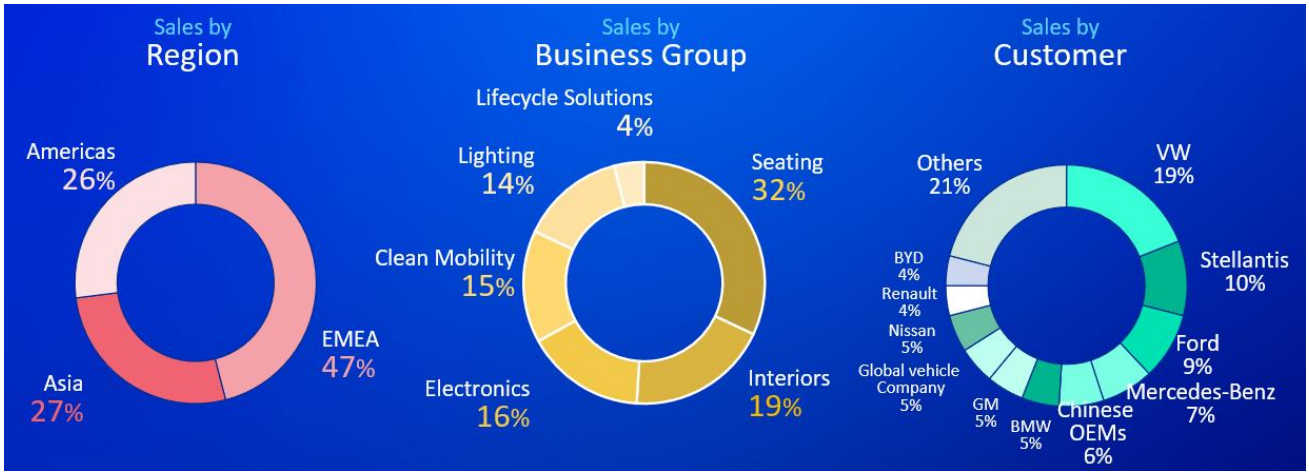
We work with several academic organizations in open innovation networks to test, assess and develop prototypes in order to obtain the relevant information to position research for the Group. Partnerships include those with French Alternative Energies and Atomic Energy Commission (CEA) for polymers and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

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

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

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

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




*Diversification across geographies*

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

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

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

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

*Diversification across customers and market segments*

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

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

*Diversification across business groups and products*

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

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

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

*Diversification across end-markets*

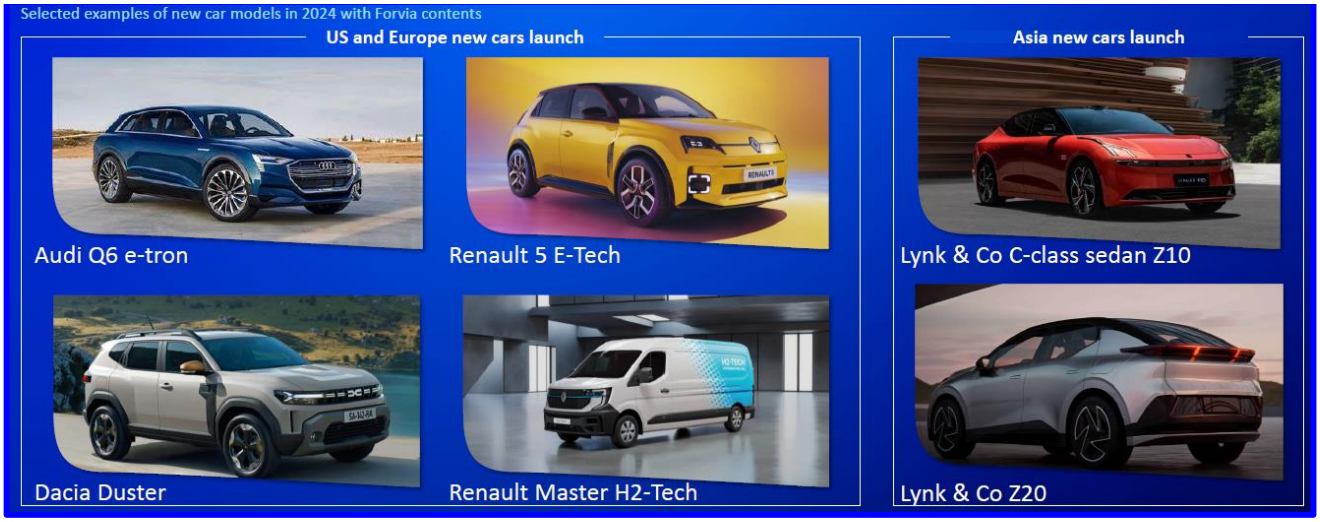
We are present across market segments, from entry-level models to premium and luxury cars, which make us less vulnerable to the parameters which may affect one particular market. Our exposure to the aftermarket business, which we gained following our acquisition of HELLA, serves as a reliable revenue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

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

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

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

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




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

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

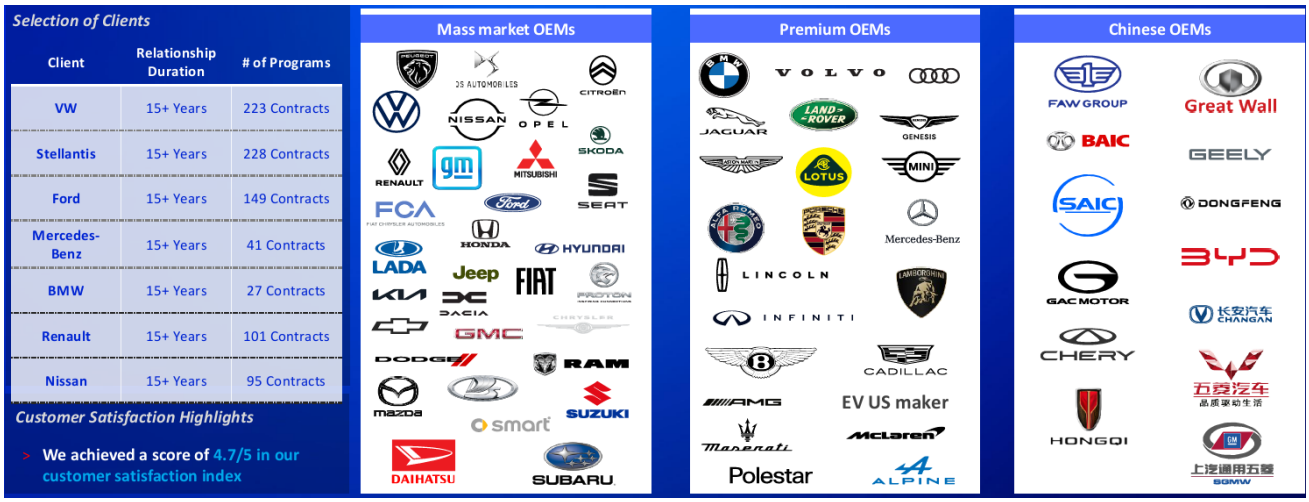
Our position as one of the leading automotive suppliers is underpinned by the nature of the global automotive supplier market, which is characterized by long-term customer relationships, the requirement by OEMs for reliable suppliers which can produce high volume products and the ability to provide services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

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

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

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

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




To maintain our strong operational excellence, we have in place a dedicated customer satisfaction program. The Total Customer Satisfaction Strategy (TCS) enhances and affirms FORVIA's competitive advantage in terms of quality and customer loyalty. Product safety occupies a central place in this strategy, which is deployed by the Group on all its sites through quality agreements and the sharing of the vision in all regions, while integrating local needs. To guarantee quality performance and thus improve the customer experience from the innovation phase to the after-sales guarantee, FORVIA focuses on four pillars:

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

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

*Customer satisfaction index*

The customer satisfaction index is used by FORVIA to assess its performance with regard to its customers. It combines relevant key performance indicators and customer perception: (1) *performance*: main indicator for customers based on the number of incidents and customer complaints; (2) *perception*: indicator based on a survey sent to all of the Group's customers, which includes a score from zero to five stars, zero being the lowest rating, five the highest.

*Digitalization for customer experience*

We use specialized quality reporting tools designed to meet the requirements of our main customers and to gauge their level of satisfaction at each point of contact throughout the customer journey: from the acquisition phase, through the program phase to mass production.

In addition, various indicators related to the customer experience, such as external complaints, costs related to quality defects and alerts issued by the Alert Management System (AMS), are centralized at Group level. These indicators are monitored using a dashboard. In this way, the quality team can quickly deal with problems reported by customers, identify defective products internally, and monitor the performance of each business group by site month after month. This automated feedback enables effective decision-making and the implementation of action plans without delay.

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

*The FORVIA Excellence System*

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

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

The main evolutions of the System include:

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

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

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

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

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

*Awards*

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

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

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

***Focus on profitability, financial discipline and resilience***

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

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

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

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

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

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

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

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

*Structural actions and cost flexibility*

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

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

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

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

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

***ESG as business driver with net zero leadership forthcoming***

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

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

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

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

In terms of R&D, we are significantly investing into sustainable mobility. FORVIA is convinced that hydrogen mobility and fuel cell technology will occupy an important place in the propulsion energy mix for the next 10 to 15 years. We provide automakers with complete hydrogen storage system integration for different vehicle architectures, offering delivery of end-of-line tested turnkey systems. Meanwhile, we continue to invest in clean mobility and vehicle electrification.

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

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

***Experienced management with proven track record and supported by robust governance***

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

*The Board of Directors*

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

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

*The Executive Committee*

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

*Experienced Management Team*

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

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

**Strategy**

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

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

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

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

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

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

***Sustainable Mobility***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

***Safe, Customized and Advanced Mobility***

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

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

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

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

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

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

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

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

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

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

***Strategic Programs and 2025 Targets***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Sustainable Development**

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

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

Our CSR roadmap is based on the following main projects:

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

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

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

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

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

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

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

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

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

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

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

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

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

- *By 2025:* we aim a reduction of at least 80% in Scope 1 Emissions and Scope 2 Emissions across all our sites compared to 2019. We have been leveraging partnerships with major energy players since 2019 to implement and accelerate energy reduction strategies, generate green power at our own sites, and purchase renewable energy.

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

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

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

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

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

- *Replacing fossil fuels with renewable energies:* in 2023, the Group contracted two virtual power purchase agreements in Northern Europe providing up to 642 GWh/year of renewable electricity. These projects make it possible to decarbonize up to 70% of FORVIA's European consumption, and up to 25% of its global electricity consumption. They are now in production. FORVIA has also signed partnerships with Engie and EDP to develop the production of photovoltaic electricity for self-consumption on its sites. To date, 50 sites have contracted a project for a projected capacity of 61MWp. All new sites commissioned are now compatible with the installation of roof-based solar panels. In 2023, FORVIA signed a partnership with Schneider Electric, "Electrification as a service", aimed at electrifying heating systems and gas-powered processes.

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

- FORVIA has created a dedicated entity, MATERI'ACT, a pure player in sustainable materials in 2022. In late 2023, we inaugurated our world-class R&D center in Villeurbanne, France, where we develop and industrialize innovative ranges of low $CO_2$-materials from sustainable foils bio-based and recycled plastic compounds, and carbon fibers with an ultra-low footprint, enabling a reduction in $CO_2$ emissions up to 85% by 2030 compared to existing materials.

- FORVIA is also the co-founder of the company GravitHy, which will produce very low carbon steel from hydrogen (creation of a plant in France planned for 2027).

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

***Planet, Business and People***

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

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

- *Business:* We are seeking to innovate and develop solutions for increasingly clean mobility. With organizations being challenged to be increasingly agile and faster, we work towards being more vigilant and compliant with the highest ethical business standards. Our goal is to become the preferred reference partner of sustainable mobility in the market. The Group is a board member of the Hydrogen Council, which is a global initiative bringing together more than 140 leading companies in the field of energy, transport, industry and investment. The group is also a member of Hydrogen Europe and the National Hydrogen Council in France. Since its creation in 2021, it has been co-chaired by Patrick Koller, former Chief Executive Officer of FORVIA SE.

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

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

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

**The Refinancing**

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

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

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

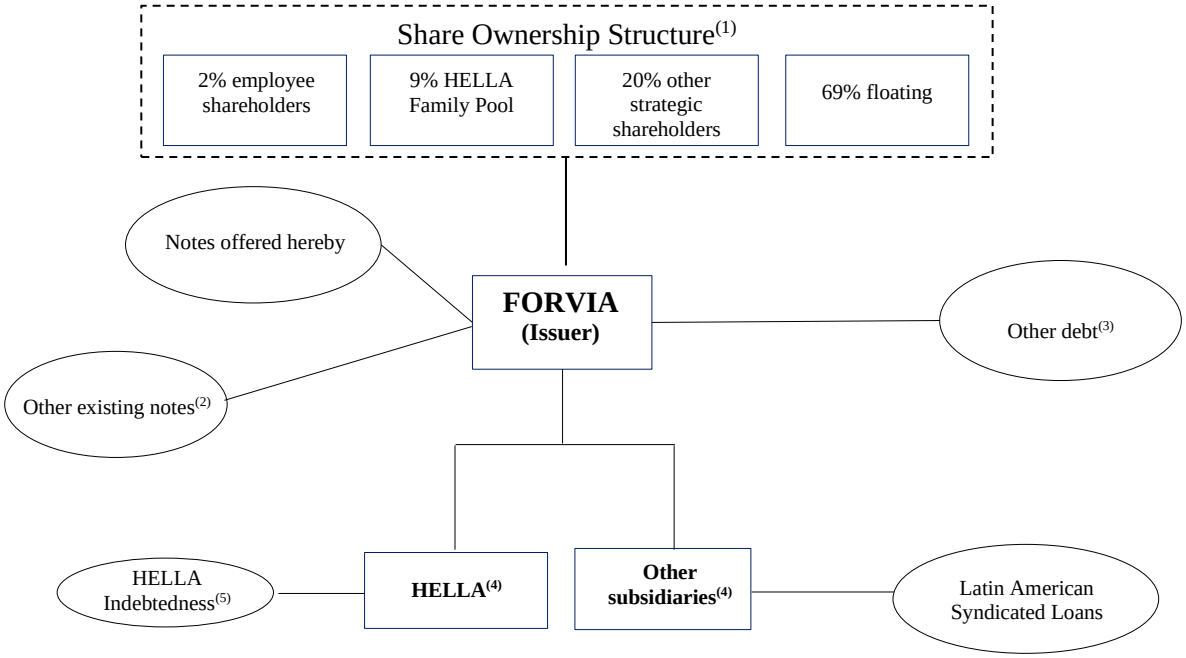
**Recent Developments**

***Changes in Management***

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

## SUMMARY CORPORATE AND FINANCING STRUCTURE

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




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

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

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

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

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

## THE OFFERING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

| | |
|---|---|
| **Transfer Restrictions**..... | The Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or any other jurisdiction and the Notes may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Issuer has not agreed to, or otherwise undertaken to, register the Notes (including by way of an exchange offer) under the Securities Act. See "*Notice to U.S. Investors*," "*Plan of Distribution*" and "*Transfer Restrictions*". |
| **No Prior Market** ..... | The Notes will be new securities. Although the Initial Purchasers have informed us that they intend to make a market in the Notes, they are not obligated to do so and may discontinue market making at any time without notice. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained. See "*Risk Factors—Risks Related to the Notes—There currently exists no market for the Notes, and we cannot provide assurance that an active trading market will develop for the Notes*". |
| **Use of Proceeds** ..... | The proceeds of the Notes will be used to repay existing indebtedness. See "*Summary—The Refinancing*," "*Use of Proceeds*" and "*Capitalization*." |
| **Listing**..... | Application has been made to list the Notes on the Official List of Euronext Dublin and to admit the Notes for trading on the Global Exchange Market. Currently there is no public market for the Notes. |
| **Listing Agent**..... | Walkers Listing Services Limited. |
| **Trustee**..... | Citibank, N.A., London Branch. |
| **Principal Paying Agent and Transfer Agent**..... | Citibank, N.A., London Branch. |
| **Registrar**..... | Citibank, N.A., London Branch. |
| **Governing Law of the Notes and the Indenture** ..... | The Indenture and the Notes will be governed by the laws of the State of New York. |
| **Risk Factors** ..... | You should refer to "*Risk Factors*" of this Offering Memorandum for a description of certain risks involved in investing in the Notes. |

## SUMMARY FINANCIAL AND OPERATING DATA

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

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

### *Summary consolidated income statement data*

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

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

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

***Breakdown by Region***

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

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

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

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

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

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

***Breakdown by Business Group***

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

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

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

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

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

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

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

### *Summary consolidated cash flow statement data*

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

† Cash flows for the year ended December 31, 2022 include the consolidated cash flows of HELLA from February 1, 2022.

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

### *Summary consolidated balance sheet data*

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

### *Other consolidated financial data*

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

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

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

### *Adjusted for the Offering and the Refinancing*

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

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

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

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

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

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

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

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

[a] Includes provisions for impairment of capitalized development costs.

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

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

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

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

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

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

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

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

## RISK FACTORS

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

### Risks Related to Our Operations

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

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

Our sales are directly linked to the performance of the automotive industry in the major geographic regions where we and our customers operate, especially in EMEA (which constituted 47% of our sales in 2024), Asia (which constituted 27% of our sales in 2024) and the Americas (which constituted 26% of our sales in 2024). The automotive sector could accelerate the concentration of various manufacturers and lead to the eventual disappearance of certain vehicle brands or models for which the Group produces equipment or generate a shift in geographic supply to different markets or locations from the current footprint of FORVIA.

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

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

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

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

***We are dependent on many suppliers to maintain production levels.***

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

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

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

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

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

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

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

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

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

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

- risk of overestimation of the target value;

- risk of the anticipated synergies being significantly delayed or not being achieved;
- risk of not succeeding in integrating the acquired companies and their technologies, product ranges and employees;
- risk of departure of key employees;
- risk of higher-than-expected costs related to the integration of acquired companies;
- risks related to suppliers or customers, or the loss of contracts resulting in costly or unfavorable financial conditions;
- existence of new specific risks within the target including risks the Group failed to identify during the due diligence investigations (tax, environmental, ethics, legal, *etc*.);
- risk of increased indebtedness in order to finance the acquisition or refinance the debt of the target.

The benefits expected from future or completed acquisitions may not be realized within the anticipated time frames and/or at the levels expected and, consequently, may significantly affect the Group's business, financial position and results of operations.

Since January 31, 2022, the FORVIA Group has held 81.6% of HELLA's share capital. The expected benefits of the HELLA acquisition in particular will depend upon the successful integration of HELLA's activities into the Group's. We may face significant difficulties when implementing the ongoing integration plan. Some of these difficulties may be unforeseeable or outside of the Group's control or the control of HELLA, notably with respect to differences in norms, controls, procedures and rules, corporate culture, the history of technological investments and the organization of the Group and HELLA, and the need to integrate and harmonize the various operating systems and procedures that are specific to each group, such as financial and accounting systems and other IT systems. The costs the Group incurs in integrating HELLA or trying to realize anticipated synergies may be substantially higher than our current estimates and may outweigh any benefit. Furthermore, if the assumptions and estimates used by the Group to value the acquisition prove to be inaccurate, it could result in an impairment of the goodwill recorded in respect of the transaction.

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

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

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

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

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

In addition, we must compete with other companies for suitably qualified personnel, including technical and engineering personnel. If positions remain unfilled for too long, if turnover rates are too high or if diversity is not sufficient, the level of motivation and productivity of the teams, as well as the cost of recruiting, training and integrating new employees, could be impacted.

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

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

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

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

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

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

- any potential amendments to laws or regulations, or to commercial, monetary or fiscal policies applied in certain foreign countries and, in particular, risks of expropriation and nationalization;
- customs regulations, monetary control policies, investment restrictions or requirements on investments or relating to international trade, such as international sanctions or any other constraints such as levies or other forms of taxation on settlements and other payment terms adopted by subsidiaries;
- difficulties in enforcing agreements, collecting receivables and protecting assets through legal systems, including intellectual property protection; and
- supply chain tensions and their consequences.

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

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

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

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

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

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

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

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

In particular, our implementation of digital services and storage have made our computer systems important for our day-to-day operations and as a result we faced with risks that could compromise (i) the availability and proper functioning of computer equipment used in plant production, (ii) the confidentiality of personal data, as well as, more generally, (iii) the integrity and availability of information systems, particularly those contributing to business processes related to ordering, supply and invoicing or to marketed digital products and services. In addition, certain of our products or components such as infotainment, Advanced Driver Assistance Systems (ADAS), Android system embedded applications, cloud computing applications or wireless chargers that also connect with smartphones contain complex information technology systems, software and/or data connectivity features and may be vulnerable to unauthorized access aimed at gaining control of, changing the functionality of or gaining access to data stored in or generated by these products. Finally, this remote access control can lead to significant handling of the vehicle, which could endanger the safety of passengers.

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

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

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

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

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

As a significant portion of FORVIA's debt is indexed on variable rates, the Group is exposed to changes in interest rates. Any significant variation in interest rates would lead to an increase in financial expenses and could have a significate impact on our financial results.

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

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

The automotive sector is subject to increasing regulatory constraints related to $CO_2$ emissions including, in particular, European Regulation 2019/631, which provides for additional reductions in $CO_2$ emissions of passenger vehicles by 37.5% from 2021 to 2030. In addition, the automotive sector may be strongly impacted in the future by the introduction of stricter regulations on climate issues, particularly in the area of vehicle life cycle analysis. Regulations on the life cycle carbon footprint of vehicles would have a direct impact on the products and solutions that we provide. Our greenhouse gas emissions footprint consists of our direct and indirect emissions (scopes 1 and 2, respectively), and mostly from our controlled upstream and downstream value chain (scope 3), as well as from our purchasing activities. To accelerate the climate transition, public authorities are expected to constrain total footprint with new taxes and regulations. In addition, more extensive regulations aimed at reducing emissions of NOx in urban areas and $CO_2$ globally could lead to an increase in demand for vehicles that pollute less. Consumer behavior may also evolve as a result of greater environmental awareness, encouraging new models of mobility and vehicle ownership as well as the purchase of more eco-friendly vehicles. Operating in 40 countries, our industrial sites and R&D centers may be exposed to extreme weather events such as storms, heat waves, flooding and similar. Such events may cause business disruptions, which could lead to customer delays and financial losses.

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

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

As part of our production activities, our personnel are exposed to a variety of risks, including accidents, occupational illnesses or illnesses related to the workplace environment in general that may affect their health or physical safety.

As of December 31, 2024, the Group employed around 70,674 operators worldwide, i.e., approximately 58% of our total headcount. As part of the Group's production activities, personnel are exposed to a variety of risks, including accidents, occupational illnesses or illnesses related to the workplace environment in general that may affect their health or physical safety.

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

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

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

access to capital were to become significantly constrained, or if the cost of capital increased significantly, due to lowered credit ratings, prevailing industry conditions, the volatility of the capital markets or other factors, the inability to access such resources could have an adverse impact on the profitability of the Group and its financial condition, results of operations and cash flows.

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

Given our international footprint, we are exposed to risks arising from fluctuations in the exchange rates of certain currencies, particularly due to the location of some of our industrial sites, as well as the fact that certain subsidiaries purchase raw materials and other supplies or sell their products in a currency other than their functional currency. The Group is also faced with the translation risk linked to the contribution of affiliates, whose functional currency is not the euro, to the consolidated financials. The sales, net profit and cash flows of these subsidiaries, when converted into €, are sensitive to fluctuations in their accounting currency against the euro.

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

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

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

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

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

To the extent that our sales contracts with customers do not include price indexation clauses linked to the price of raw materials, we are exposed to risks related to unfavorable fluctuations in commodity prices. We do not use derivatives to hedge our purchases of raw materials. However, energy purchases are covered by hedging mechanisms. With regard to inflation, sales contracts with customers do not systematically include an indexation clause based on cost parameters.

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

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

our business, financial condition and results of operations. In addition, if we are unable to secure a sufficient quantity of electronic components, we could be exposed to operational losses as well as client claims seeking indemnification. Bottlenecks in the value chain, which are mainly the result of a general shortage of certain electronic components and have been amplified by external factors over which we have limited control, could result in higher costs of transportation, raw materials, energy, workforce and quality assurance, for example, which may affect our financial results.

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

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

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

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

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

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

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

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

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

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

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

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

We are also subject to a risk of product liability or warranty claims if our products actually or allegedly fail to perform as expected or the use of our products results, or is alleged to result, in bodily injury and/or property damage. While we maintain reasonable limits of insurance coverage to appropriately respond to such exposures, large product liability claims, if made, could exceed our insurance coverage limits and further insurance may not continue to be available on commercially acceptable terms, if at all. We may incur significant costs to defend these claims or experience product liability losses in the future. In addition, in the event of the failure or suspected failure of products designed by the Group, the latter may be forced to recall and exchange them. The future cost associated with providing product warranties and/or bearing the cost of repair or replacement of our products could have a material adverse effect on our business, financial condition and results of operations.

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

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

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

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

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

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

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

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

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

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

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

The conflict in the region has had a direct impact on our operations and sales in Russia, and has also had (and may continue to have) an indirect impact on automotive production globally. We historically operated certain sites in Russia. FORVIA completed its disengagement from Russia, with the sale of its three operating entities (Faurecia Environmental solutions-Russia, Faurecia Automotive Solutions, Faurecia Interior Togliatti) in December 2023, after having obtained the necessary regulatory authorizations from the Russian administration. FORVIA has no operational activities in Russia since the end of December 2023. We do not have direct operations or material sales in Ukraine, although Ukraine is a major exporter of wire harnesses used in the production of automobiles. Continuation of the conflict could lead to further supply chain disruptions and may have a material adverse impact on demand for our products.

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

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

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

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

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

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

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

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

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

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

Furthermore, our organization is decentralized and located in 40 countries, and each of these countries may have anti-corruption legislation that is potentially extra-territorial in scope. This is in particular the case with regard to the Sapin II Law in France, the Bribery Act in the United Kingdom and the Foreign Corrupt Practices Act in the United States. Moreover, we are subject to capital markets regulations. The Group is exposed to sanctions in the event of any non-compliance with any such regulations. In addition, given the specific nature of the automotive sector (in particular, the presence of a reduced number of stakeholders in certain markets), the Group may also be exposed to antitrust risks (for example, cartel arrangements). These regulations, some of which are quite recent, and the specific nature of the sector mean that the Group is exposed to potential fines by regulatory authorities and claims by third parties in the event of non-compliance, which could in turn have a material adverse effect on the Group's business, financial condition and results of operations. In addition, should the Group's integrity in these matters be called into question, this could have significant consequences on its reputation and commercial activity.

***Our reputation is critical to our business.***

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

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

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

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

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

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

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

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

**Risks Related to the Notes**

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

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

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

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

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

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

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

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

***We may not have the ability to repay the Notes.***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

***The Notes are not necessarily suitable for all investors.***

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

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

***Exchange rate risks exist for certain holders of the Notes.***

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

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

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

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

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

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

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

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

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

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

***Risks associated with Notes held in book-entry form.***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- increase the liabilities (charges) of the relevant affected parties (including the holders of Notes) by rescheduling due payments and/or partially or totally writing off claims including receivables in the form of debt securities;
- establish a differentiated treatment between affected parties as appropriate under the relevant circumstances; and/or
- convert debt claims (including the Notes) into shares or securities that give or may give rights to share capital.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## USE OF PROCEEDS

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

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

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

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

## CAPITALIZATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### Overview

#### *Segmentation*

The Group is structured into the following business units based on the nature of the products and services offered:

- Seating (design and manufacture of complete vehicle seats, seating frames and adjustment mechanisms);
- Interiors (design, manufacture and assembly of instrument panels, door panels and modules);
- Clean Mobility (design and manufacture of exhaust systems, solutions for fuel cell electric vehicles, and aftertreatment solutions for commercial vehicles);
- Electronics (design and manufacture of display technologies, driver assistance systems and cockpit electronics), which includes HELLA Electronics and Clarion Electronics;
- Lighting (design and manufacture of lighting technologies); and
- Lifecycle Solutions (solutions extending the vehicle lifecycle as well as workshop equipment and special original equipment).

These business units are managed by the Group on an independent basis in terms of reviewing their individual performance and allocating resources. The Group follows the performance of each segment mainly on the basis of sales and operating income. See "*—Results of Operations*". Borrowings, other operating income and expense, financial income and expenses, and taxes are monitored at the Group level and are not allocated to the various segments.

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

#### *IFRS 5 and restatement of the 2022 income statement*

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

IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* to qualify the SAS Cockpit Modules activity as discontinued from February 2023 when the sale was announced, mainly regarding the criteria of being a major line of business and the highly probable character of the sale. From January 1, 2023 until July 31, 2023, the effective date of the sale, the corresponding assets and liabilities were isolated in dedicated lines as the net result of the corresponding discontinued activities. In accordance with IFRS 5, "net income of discontinued operations" presented in the consolidated statement of comprehensive income amounted to €(5.4) million including the operations of the SAS Cockpit Modules business from January 1, 2023 to July 31, 2023 for total sales of €593.6 million, as well as the net loss on disposal related to this activity of €(6.3) million and the directly incrementable expenses related to the sale. Due to the effective sale of these activities on July 31, 2023, there are no assets or liabilities presented in separated lines in the consolidated balance sheet as of December 31, 2023. The net income, other comprehensive income and cash flows items of discontinued operations are presented separately in the statement of financial position for the year 2023 and the comparative column for 2022 presented in the 2023 Consolidated Financial Statements. The comparative balance sheet for 2022 has not been restated, as per IFRS5.

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

***Consolidation of HELLA***

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

**Factors affecting the Group's results of operations**

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

***Trends in the global automotive industry***

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

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

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

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

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

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

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

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

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

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

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

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

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

***The Group's measures to improve its profitability***

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

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

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

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

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

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

***Carbon emissions reduction and the electrification of the automotive fleet***

The automotive industry and related technological advancements have been impacted by the growing environmental efforts to reduce $CO_2$ emissions, both in industry and in personal mobility. The impact of these trends on the automotive industry is significant, as vehicles are becoming more connected, autonomous, shared, and electrified. Sales of car models with combustion engines in particular may be negatively affected by increased regulation, such as more stringent emissions tests or the exclusions of such vehicles from city centers, or by an acceleration in the adoption of electric vehicles by consumers. The Group foresees that its future growth will be driven by electrification, thermal management, and innovative combustion engines. The Group believes that focusing on developing sustainable products suitable for electric and hybrid vehicles will be a key factor for its future growth. However, the market for the conventional engine systems is directly affected by the trends moving towards creating more environmentally friendly vehicles.

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

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

- In June 2023, the Group began making deliveries of Type IV hydrogen tanks from its production plant in Allenjoie, France. This first-of-its-kind facility in Europe and North America aims to produce 100,000 tanks annually. The Group believes that hydrogen will be a driving force behind the decarbonization of mobility, and will require safe and affordable hydrogen storage technologies. In November 2023, the Group was awarded a contract from a major automotive manufacturer to supply Type IV hydrogen storage systems for medium-duty commercial trucks in the North American market, with start of production in 2025.
- In September 2023, the Group, in collaboration with the Nordic-based steel manufacturer SSAB, unveiled the world premiere of a seat structure made from fossil-free steel, with a $CO_2$ footprint that has been reduced by almost 90% compared to a traditional steel seat structure.
- In November 2023, the Group's MATERI'ACT initiative was launched, which works to develop, source, produce and sell unique cutting-edge materials with low and ultra-low footprints with up to 85% $CO_2$ reduction compared to existing materials. MATERI'ACT aims to accelerate the Group's ambition to be $CO_2$ neutral in its products, in line with the rising demands of OEMs and end-users for sustainable vehicles (see "*—The impact of the Group's productivity gains and technological innovation*" above).

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

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

In recent years, the Group has made significant investments to achieve its ambitious goals. These include optimizing the energy efficiency of its production plants and securing renewable energy to power its production. For example, in May 2023, the Group increased its renewable energy capacity by signing a ten-year Power Purchase Agreement (PPA) with Renewable Power Capital, securing almost all the output from the 417-GWh onshore wind turbine farm in Klevberget, Sweden, which is expected to generate the equivalent of more than 40% of the Group's annual European electricity consumption. When added to existing energy arrangements, up to 70% of the Group's consumption (650 GWh) will be powered by renewable electricity through a portfolio of 37 wind turbines. In addition to this capacity, 130 hectares of solar panels are being installed at more than 150 FORVIA sites, which are expected to provide up to 5% of its renewable energy mix.

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

***Acquisitions and disposals***

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

*2024*

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

*2023*

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

Forvia also initiated the second €1 billion disposal program in October 2023 with an agreement to sell its shares in HELLA BHTC. HELLA, jointly with co-owner MAHLE, sold their BHTC shares for a total enterprise value of €600 million (€300 million for each of the two co-owners). With the divestment of its stake in BHTC (accounted for by the equity method within HELLA's accounts), HELLA will aim to strengthen its focus on its core business areas: Electronics, Lighting and Lifecycle Solutions.

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

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

*2022*

On January 31, 2022, the Group completed the acquisition of 79.5% of HELLA, a group listed on the Frankfurt Stock Exchange, comprising the 60% acquired from the family pool, of which 8.95% were paid through newly issued FORVIA shares and 19.5% as a result of a public tender offer. The Group subsequently acquired additional shares on the market, representing 2.09% of HELLA shares as of March 18, 2022. As of December 31, 2023, the Group held 81.6% of HELLA shares. The Group has exclusive control over HELLA, which is fully consolidated (including all its significant affiliates) in its financial statements since February 1, 2022.

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

***Management of the Group's debt structure***

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

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

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

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

***Impact of exchange rates on the Group's financial statements***

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

**Description of key consolidated income statement line items**

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

***Sales***

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

Revenue from product sales is recognized when the control is transferred to the customer, incidental to ownership of the parts or components produced. This generally corresponds to when the goods are shipped. Revenue on tooling is generally recognized at the transfer of control of the tooling to the customer, usually shortly before serial production starts. Development costs are generally recognized as set up costs for the serial parts production and capitalized, they are then not considered as a revenue distinct from product sales, except specific cases depending on the contract with the customer. When the Group operates as an agent for monoliths sales, these sales are recorded at net value in the income statement.

***Cost of sales***

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

***Research and development costs***

Research and development expenses comprise the gross cost of the Group’s R&D activities such as personnel costs, costs of material necessary for R&D and equipment used in research, less allowances (or reversals of) depreciation of assets in development, less capitalized development costs which are recorded in inventory or in intangible assets. Development costs are usually capitalized in intangible assets as they are considered as set up costs for the serial parts production, and then amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances.

***Selling and administrative expenses***

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

***Amortization of intangible assets acquired in business combinations***

Intangible assets acquired in business combinations includes acquired customer relationships, trademarks, technologies, *etc.* These assets are amortized on the corresponding contracts duration, *i.e.* between 5 and 20 years for trademarks, between 6 and 16 years for customer relationship and between 6 and 12 years for technologies.

***Other non-recurring operating income and expenses***

Other non-recurring operating income and expenses corresponds to significant, unusual and non-recurring items including reorganization costs and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure of an industrial site, disposals of non-operating buildings, impairment losses and reversals recorded for property, plant and equipment or intangible assets, as well as other significant and unusual losses.

***Net financial expense***

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

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

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

***Taxes***

Taxes include current corporate income tax and deferred taxes.

***Net income from discontinued operations***

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

**Alternative Performance Measures**

***Growth at constant scope and currencies***

In addition to its reported historical results, the Group tracks its year-on-year sales growth on a like-for-like basis, which is made of three components:

- a "currency effect", calculated by applying average currency rates for the period to the sales of the prior year;
- a "scope effect" which presents all acquisitions and divestments, whose sales on an annual basis amount to more than €250 million. Other acquisitions below this threshold are considered as "bolt-on acquisitions" and are included in "Growth at constant currencies"; and
- a "growth at constant scope and currencies".

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

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

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

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

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

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

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

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

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

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

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

***Outperformance***

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

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

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

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

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

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

### *Adjusted EBITDA*

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

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

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

### *Net cash flow*

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

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

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

### *Net Debt*

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

## Results of Operations

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

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

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

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

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

*Sales*

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

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

*Sales by operating segment*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

*Sales by category*

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

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

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

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

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

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

*Sales by region*

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

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

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

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

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

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

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

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

*Sales by customer*

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

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

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

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

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

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

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

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

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

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

*Cost of sales*

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

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

*Research and development costs*

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

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

*Selling and administrative expenses*

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

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

*Operating income*

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

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

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

*Operating income by region*

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

**Operating income by region**
*(in € million)*

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

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

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

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

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

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

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

*Operating income by operating segment*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

*Other non-recurring operating income and expenses*

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

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

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

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

*Net financial expense*

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

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

*Taxes*

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

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

*Net income (loss) from discontinued operations*

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

*Consolidated net income (loss)*

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

**Liquidity and capital resources**

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

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

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

with banks, current account balances, marketable securities such as money market and short-term money market funds, deposit and very short-term risk-free securities that are readily sold or converted into cash.

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

### *Net debt*

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

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

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

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

### *Net cash flow*

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

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

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

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

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

***Capital expenditure***

In the year ended December 31, 2024, the Group invested capital expenditures of €972.6 million (3.6% of sales) on property, plant and equipment and on intangible assets, and in particular on property, plant and equipment for €963.5 million. In the year ended December 31, 2023, the Group invested capital expenditures of €1,137.3 million (4.2% of sales) on property, plant and equipment and on intangible assets, and in particular on property, plant and equipment for €1,122.9 million. In the year ended December 31, 2022, the Group invested capital

expenditures of €1,137.0 million (4.6% of sales) on property, plant and equipment and on intangible assets, the majority of which was spent on property, plant and equipment for €1,119.3 million.

***Capitalized R&D***

In the year ended December 31, 2024, the Group's capitalized R&D was €1,039.0 million (3.9% of sales), compared to €1,046.0 million (3.8% of sales) in the year ended December 31, 2023 and €954.2 million (3.9% of sales) in the year ended December 31, 2022. The majority of the Group's capitalized R&D in 2024, 2023 and 2022 was dedicated to development costs.

***Cash flows***

The following table summarizes the Group's consolidated cash flow statement for the years ended December 31, 2024, 2023 and 2022:

| | Year ended December 31, | | |
|---|---|---|---|
| *(in € millions)* | **2022 (Restated)** | **2023** | **2024** |
| Cash flows provided by (used in) operating activities | 2,464.6 | 2,614.5 | 2,631.0 |
| Cash flows provided by (used in) investing activities | (6,250.7) | (1,524.1) | (1,799.8) |
| Cash flows provided by (used in) financing activities | 3,119.9 | (889.0) | (636.4) |
| **Cash and cash equivalents at the beginning of period** | 4,905.7 | 4,171.4 | 4,273.9 |
| **Cash and cash equivalents at end of period** | 4,171.4 | 4,273.9 | 4,500.4 |

*Cash flows from operating activities*

Cash flow from operating activities was stable at €2,614.5 million in the year ended December 31, 2023, compared to €2,631.0 million in the year ended December 31, 2024.

Cash flow from operating activities increased from €2,464.6 million in the year ended December 31, 2022, to €2,614.5 million in the year ended December 31, 2023. The change was primarily attributable to increases in the change in trade accounts receivables for €603.4 million and improved operating income, partially offset by a decrease in the change in trade payables.

*Cash flows from (used in) investing activities*

In the year ended December 31, 2024, the Group recorded cash outflows from investing activities amounting to €1,799.8 million compared to €1,524.1 million in the year ended December 31, 2023 and €6,250.7 million in the year ended December 31, 2022. The spike in outflows in 2022 was primarily attributable to the acquisition of HELLA in January 2022.

*Cash flows from (used in) financing activities*

In the year ended December 31, 2024, the Group recorded cash outflows from financing activities amounting to €636.4 million compared to outflows of €889 million in the year ended December 31, 2023 and inflows of €3,119.9 million in the year ended December 31, 2022. The spike in inflows in 2022 was primarily attributable to the issuance of new shares and debt in connection with the acquisition of HELLA in January 2022.

**Contractual obligations and commercial commitments**

***Financial obligations***

The main elements of our long-term debt as at December 31, 2024 were the Syndicated Credit Facility of €1,500 million of which there have been no drawings as at the date of this Offering Memorandum, the Japanese Yen Term and Revolving Facilities Agreement of JPY30 billion which has been fully drawn as at the date of this Offering Memorandum, the HELLA Credit Facility of €450 million of which there have been no drawings as of the date of this Offering Memorandum, JPY22 billion in aggregate principal amount of the HELLA Japanese Yen Debt, €700 million in aggregate principal amount of the Sustainability-Linked 2021 Schuldschein, and €742.6 million in aggregate principal amount of the Sustainability-Linked 2024 Schuldschein (of which an aggregate of €1,273 million is outstanding under both Sustainability-Linked Schuldscheins), €750 million in aggregate principal amount of the 2026 Notes, €950 million in aggregate principal amount of 2026

Sustainability-Linked Notes (of which €330.2 million is outstanding), €890 million in aggregate principal amount of the 2027 Notes, €1,200 million in aggregate principal amount of the 2027 Sustainability-Linked Notes, €700 million in aggregate principal amount of the 2028 Notes, €500 million in aggregate principal amount of the 2029 Notes, €400 million in aggregate principal amount of the 2029 Green Notes, €700 million in aggregate principal amount of 2031 Notes, JPY19.2 billion in aggregate principal amount of the JPY Notes, €500 million in aggregate principal amount of the HELLA 2027 Notes, €315 million under the EIB Loan, €500 million under the Term Loan, U.S.$300 million equivalent under the Latin American Syndicated Loans and €200 million under the HELLA SSD.

The following table sets forth the maturity schedule of our outstanding long-term debt, set forth by category, in each case as at December 31, 2024, after giving effect to the Refinancing (including the refinancing in full of the 2026 Notes with the proceeds of the Notes offered hereby):

| | 2025 | 2026 | 2027 | 2028 | 2029 and beyond | Total |
|---|---|---|---|---|---|---|
| | | | *(in € millions)* | | | |
| Notes offered hereby | — | — | — | — | 750.0 | 750.0 |
| 2026 Sustainability-Linked Notes[(1)], 2027 Notes[(1)], 2027 Sustainability-Linked Notes[(1)], 2028 Notes[(1)], 2029 Notes[(1)], 2029 Green Notes[(1)], 2031 Notes[(1)], the JPY Notes[(1)], the HELLA 2027 Notes[(1)] and the HELLA JPY Notes[(1)] | — | 395.7 | 2,631.7 | 704.3 | 1,673.6 | 5,405.3 |
| Syndicated Credit Facility | — | — | — | — | — | — |
| Schuldscheindarlehen | — | 324.5 | 32.2 | 421.3 | 495.3 | 1,273.3 |
| HELLA SSD | — | — | 10.0 | — | 190.0 | 200.0 |
| Term Loan | — | | 500.0 | — | — | 500.0 |
| Japanese Yen Term and Revolving Facilities[(1)] and HELLA JPY Loan | — | 92.0 | — | — | 61.3 | 153.3 |
| Other bank and bilateral loans | 51.7 | 72.2 | 301.3 | 256.2 | 287.5 | 968.9 |
| Bank borrowings and others[(2)] | | | | | | 252.6 |
| Obligations under finance leases[(2)] | | | | | | 1,054.3 |
| Non-current derivatives[(2)] | | | | | | 88.5 |
| **Total** | | | | | | **10,646.2** |

(1) Presented at book value, net of any unamortized debt issuance costs, discounts or premiums.
(2) Schedule of debt maturities not available as at December 31, 2024.

### *Pensions and other employee obligations*

The Group's provisions for pensions and other employee obligations as of December 31, 2024 was €621.1 million, compared to €630.0 million as of December 31, 2023 and €575.2 million as of December 31, 2022. The decrease in 2024 when compared to 2023 was mainly the result of headcount reduction, and the increase in 2023 when compared to 2022 was mainly as a result of scope effect following the acquisition of HELLA.

### *Off-balance sheet commitments*

As at December 31, 2024, the Issuer has no material off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Issuer's financial condition or results of operations.

## Quantitative and qualitative disclosures about market risk

### *Liquidity risk*

In order to finance its capital expenditures and face its cash requirements, the Group must secure access to liquidity from banks and financial markets. The Group's liquidity is based on the issuance of long-term debt (bonds and bank loans), short term funding programs (commercial paper, factoring) and the maintenance of committed credit facilities. If the Group's access to these funding sources were to become significantly constrained, or if the cost of capital increased significantly due to lowered credit ratings, prevailing industry conditions, the volatility of the capital markets or other factors, the inability to access such liquidity and resources could have an adverse impact on the Group's financial condition.

### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to financial risks that may arise from changes in interest rates, as a significant portion of the Group's debt is indexed on variable rates. The management of

interest rate risk is centralized. Such management is implemented through the Group Treasury department, which reports to the Group's Executive Management. Hedging decisions are made by a monthly Finance Committee. At the end of December 2024, before taking into account the impact of hedges, 26.4% of the Group's gross debt was exposed to floating rates compared to 25.7% as of December 31, 2023. For additional information, see note 27.4 to the 2024 Consolidated Financial Statements.

***Currency risk***

Due to its international presence and operations, the Group is exposed to risks arising from fluctuations in the exchange rates of certain currencies, particularly due to the location of some of its industrial sites, as well as the fact that certain subsidiaries purchase raw materials and other supplies or sell their products in a currency other than their functional currency. The Group is also faced with the translation risk linked to the contribution of affiliates, whose functional currency is not the euro, to the consolidated financials. The sales, net profit and cash flows of these subsidiaries, when converted into euros, are sensitive to fluctuations in their accounting currency against the euro. The Group centrally hedges the foreign exchange rate risk through forward or optional foreign exchange transactions as well as foreign currency financings. See note 32.2 to the 2024 Consolidated Financial Statements for additional information.

***Raw material and interest rate risk***

The Group is exposed to raw material risk directly through its raw materials purchases and indirectly through components purchased from its suppliers. Raw material prices are subject to fluctuation, and since 2022, rising inflation also contributed to the increase in the costs of purchased components. The Group actively works to minimize these risks through a proactive approach to customer and supplier risk management. This approach includes (i) a multi-sourcing strategy, to the extent it remains a viable solution in terms of technical and economic feasibility, while using its existing qualified supplier panel, (ii) methods deployed on an ongoing basis by the Group to identify alternative products available on the market and (iii) a systematic revision of customer and supplier contracts to attenuate the effects of this risk.

***Customer credit risk***

Customer credit risk is the risk that one or more of the Group's customers may not be able to honor certain agreements or suffer financial difficulties. The Group's primary exposure to credit risk relates to its trade accounts receivables. The failure to recover a trade receivable in the event of a payment default (for example, resulting from a customer bankruptcy) could have a negative impact on the Group's financial results. The Group's Finance department monitors trade accounts receivables on a regular basis. In addition, since 2019, the Group has implemented a customer credit risk assessment system to better manage the acquisition process with new customers.

**Critical accounting policies and estimates**

The preparation of the Group's financial statements in accordance with IFRS requires the use of estimates and assumptions when measuring certain assets, liabilities, income, expenses accounted for in the financial statements as well as for the evaluation of commitments given and contingent liabilities. These estimates and assumptions are primarily used when calculating the impairment of property, plant and equipment, right of use, intangible assets and goodwill, for measuring pension and other employee benefit obligations as well as for lease liabilities and depreciation of deferred tax assets. They are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. These estimations are revised on a regular basis, notably in the current evolutive macroeconomic context. Moreover, the Group must exercise judgment in determining whether the criteria for recognizing an asset or group of assets as held for sale are met, pursuant to the provisions of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations". Furthermore, these estimates consider the Group's plans with respect to carbon neutrality, as approved by the Science Based Target Initiative (SBTi) in July 2022. See note 1 to the 2024 Consolidated Financial Statements for additional information.

# BUSINESS

## Our Company

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

We were formed in 2022 following Faurecia's acquisition of HELLA, which allowed us to become one of the largest automotive suppliers in the world. Following the acquisition, we rebranded ourselves with our new name, "FORVIA." The acquisition has enabled FORVIA to achieve critical mass across all its segments, as demonstrated by its revenue, which has grown from €17.8 billion in revenue for Faurecia in 2019 to €27 billion in revenue for FORVIA for the year ended December 31, 2024. As a single group, FORVIA and HELLA collaborate closely and aim to create sustainable value for all stakeholders through technology sharing and synergies, while continuing to operate as separate legal companies and market products under their own brands. The pace of the combination with HELLA has accelerated and cumulated cost synergies generated at the end of 2024 amounted to €334 million.

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

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

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

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

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

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

### *Business Groups*

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

***Seating.*** We design and manufacture complete vehicle seats, seating frames and adjustment mechanisms that aim to optimize the comfort and safety of occupants. We develop a range of innovative solutions for thermal and postural comfort, health and wellness and advanced safety to meet current market requirements. We have

leading market positions in this segment, and we believe we are the world's leading supplier of seat structure systems and the third largest supplier of complete seats.

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

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

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

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

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

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

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

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

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

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

representing a 5.5% operating income margin, compared to €219.4 million for the year ended December 31, 2023, representing a 5.3% operating income margin.

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

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

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

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

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

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

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

***Customers***

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

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

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

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

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

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

**Our Competitive Strengths**

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

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

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

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

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

Based on revenues, in 2024, FORVIA was one of the largest automotive suppliers globally, with annual sales exceeding €3.9 billion in five of our six business groups. We believe our leadership and global platform are significant strategic advantages, as OEMs typically look for well-established suppliers with strong innovation and scale capabilities that are able to support their global programs, new vehicle launches, and end customers' growing demands for increased connectivity, improved vehicle autonomy and clean mobility.

***Attractive industry benefitting from key automotive megatrends***

Significant global trends are impacting the automotive industry, including climate change, resource scarcity, growing and ageing populations, economic power shifting to Asia and urbanization. At the same time,

technological developments continue to accelerate, transforming daily life and generating new business models. As a result of these technological developments, the evolving structure of society and global development challenges, we believe that the automotive industry is at a turning point. We expect that the consequence of these megatrends on the automotive industry will be a radical increase in mobility solutions that are increasingly connected, autonomous and electrified.

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

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

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

New Products

- **Clean mobility:** accelerating innovation for powertrain electrification and investing in zero and ultra-low emissions solutions, supported by incentives and regulatory push and responsive to an increase in global demand for mild hybrid and high voltage solutions. Recently launched products include battery and power electronics for 12v and 48v, high voltage energy management and thermal management systems;

- **Autonomous driving:** focusing on short time-to-market technology bricks for the Cockpit of the Future adaptable to autonomous driving, reflecting an increasing importance of software and higher willingness of customers to pay for automated driving features. Recently launched products include radars and sensors, x-by-wire applications, cameras, automated parking ECU and systems; and

- **Connected vehicles:** offering new functionalities through integrated electronics as cars develop into "computers on wheels," driven in part by safety regulations. Recently launched products include cockpit technologies and software, security with smart car access, zonal modules and ECUs.

New Customers

- rising Asian OEMs developing vehicles adapted to Asian consumers;

- pure electric vehicle consumers;

- MaaS operators, fleets and cities; and

- high horsepower engine manufacturers.

New Business Models

- increased role of personalized user experiences;

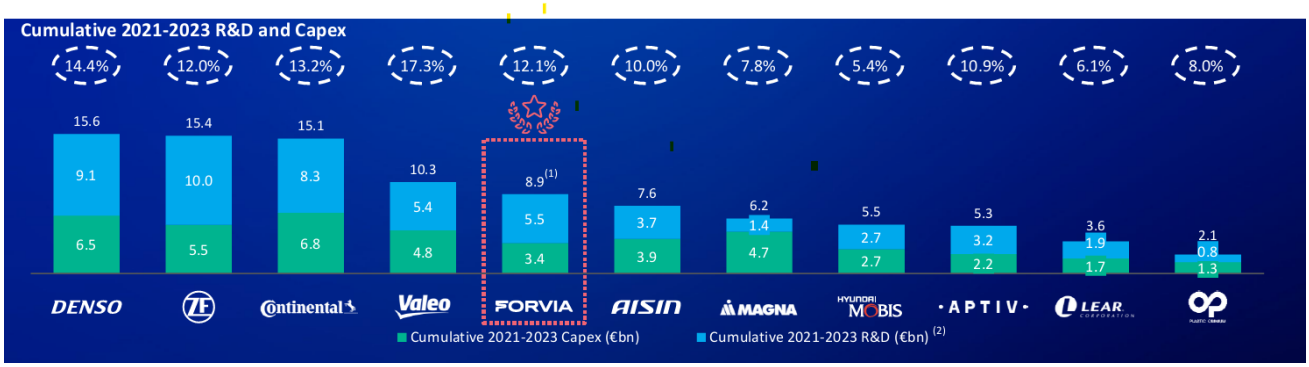
- upgradability, retrofit and connected services; and

- developing cybersecurity of connected products.

***Technological innovations leveraging on a strong ecosystem of partners***

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

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




Source: Company filings. December full-year calendarization.

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

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

FORVIA received four accolades at the CES 2024 Innovation Awards in the category "Vehicle Tech & Advanced Mobility":

- Hella's Flatlight | µMX technology;
- Skyline Immersive Display;
- eMirror Safe UX; and
- Light Tile for Transparent Doo.

*Note: * in 2030 vs. 2019*

*Strategic and technology partnerships*

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

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

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

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

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

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

*Investment in start-ups and technology platforms*

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

We have historically invested in start-ups such as: Outsight for sensors, GuardKnox for cybersecurity and IRYStec Software to enable the personalization of displays according to the driver's vision and ambient light

conditions giving a safer and more comfortable user experience at a lower cost. The Issuer also acquired intellectual property assets of uMist Technologies Ltd., a Swedish start-up specialized in biomimetic spray technology, to accelerate our technology leadership for commercial vehicles ultra-low emissions, and designLED, a Scotland-based company specialized in advanced backlighting technologies, to strengthen our offer for display technologies and enrich the immersive experiences.

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

*Academic partnerships and collaborative innovation*

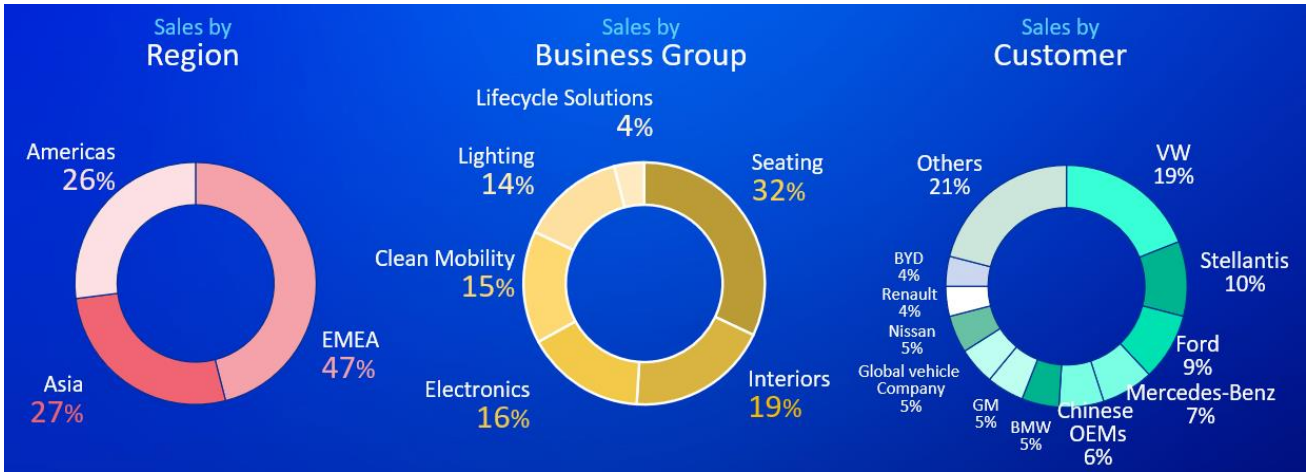
We work with several academic organizations in open innovation networks to test, assess and develop prototypes in order to obtain the relevant information to position research for the Group. Partnerships include those with French Alternative Energies and Atomic Energy Commission (CEA) for polymers and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

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

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

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

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




*Diversification across geographies*

Our operations span across five continents. We employ approximately 150,000 people in 40 countries across 249 industrial sites and 78 R&D centers, of which 15,000 are engineers in our technology centers. Our global

footprint of production facilities and development centers allows us to design, develop, engineer, manufacture and deliver complete technological solutions and components in every major automotive producing region in the world.

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

Our diversified workforce mirrors the breadth of our operations as one of the world's largest automotive suppliers. In 2024, out of our approximately 150,000 employees (including temporary employees), 48.9% were based in our European locations (126 industrial sites and 40 R&D centers), 21.5% were employed in the Americas (52 industrial sites and 8 R&D centers), and 29.6% were employed for our Asia operations (102 industrial sites and 30 R&D centers).

*Diversification across customers and market segments*

We conduct business with major global OEMs for both passenger and commercial vehicles and serve over 80 different accounts, including Volkswagen Group, Stellantis, Ford Group, Mercedes-Benz Group, BMW Group, Renault Nissan Group and General Motors Group, among others. In North America, we have particularly close ties with Ford and General Motors, with whom we have had relationships for over 15 years and which together accounted for 14% of our sales in 2024. Although Japanese and South Korean automakers tend to use their vertically integrated suppliers, we are today a direct supplier to Nissan, Honda, Kia and Hyundai. We have also grown our exposure to Chinese OEMs, serving 19 out of 20 Chinese OEMs, and realized 48% of our Chinese sales with Chinese OEMs in 2024, compared to 37% in 2023.

In recent years, we have further improved our customer diversification and benefitted from the acquisition of HELLA to strengthen our relationship with German-based premium OEMs. We believe this acquisition has improved our relationship with automakers and opened new sales opportunities through the leveraging of FORVIA's historically privileged access to key Asian OEMs and HELLA's reputation to further develop our relationships with German and other premium OEMs and benefit from complementary strengths with US-based OEMs. In the year ended December 31, 2024, our two largest customers, Volkswagen and Stellantis, together accounted for 29% of sales compared to 30% of sales in 2023. Our relationships with these customers have endured over 15 years and span across multiple business lines and product categories, engine technologies, regions and vehicle platforms.

*Diversification across business groups and products*

A large number of vehicles globally is equipped with one or more of FORVIA's offerings in seating, interiors and cockpits, electronics, lighting and lifecycle management. As a result, we are able to benefit from a well-balanced revenue profile across our main business groups.

Our portfolio ranges from more traditional products, such as seat structures, door panels and headlamps, to cutting-edge and more advanced technological solutions that allow our customers to respond to the demands for increased autonomy, connectivity and electrification in the automotive industry. Our advanced solutions include clean mobility offerings, as well as a large range of sensors, radars, automated driving systems, cockpit electronic and energy management solutions, which serve vehicles from full hybrid and battery electric vehicles to thermal engine vehicles.

We believe one of our strengths lies in our largely engine-agnostic product portfolio, as many of our products are used in ICE, hybrid and electric cars. For the year ended December 31, 2024, 85% of our revenues came from seating, interior, electronics, lighting and lifecycle solutions business segments which we estimate are not dependent on light vehicle ICE. This diversification across business lines and solutions offered allows the Group

to leverage the growth opportunities and economic cycles in each segment presents, as these may respond to various economic indicators differently across geographic markets.

*Diversification across end-markets*

We are present across market segments, from entry-level models to premium and luxury cars, which make us less vulnerable to the parameters which may affect one particular market. Our exposure to the aftermarket business, which we gained following our acquisition of HELLA, serves as a reliable revenue stream that is less susceptible to the fluctuations of new vehicle sales given this business is tied to a steady demand for maintenance, repair and upgrades.

***Unique and hard-to-replicate positioning underpinned by multi-year contract execution and the ability to support global programs***

We are involved in all stages of the automotive equipment development and supply process and conclude contracts to provide these products throughout the anticipated life of the model or platform, which provides us with multi-year contracts (usually between five and ten years). Revenue visibility is further reinforced by the inherent challenges automakers face when changing suppliers in the midst of the development and production of a car model, which typically translates into high renewal rates on our programs.

This supports our long-term relationship with OEMs while establishing us as a strategic supplier on number of programs and car models. Our customers rely increasingly on global platforms, based upon which they will produce a variety of car models, allowing us to participate on those programs on a global scale and improve efficiencies by lowering costs through greater commonality of components and modules that can be used in more than one generation of cars.

The below is an illustration of new launches made during 2024 where we participated as key supplier:

Our global footprint, comprised of 249 industrial sites and 78 R&D centers, allows us to design, develop, engineer, manufacture and deliver complete technological solutions and components in every major automotive producing region in the world while ensuring high customer proximity, improved supply chain resilience and the support of key programs on a global scale close to our customers' local production sites in each of their core markets. As a result, we are one of the few automotive equipment suppliers with the capacity to supply automakers' global programs in which the same car model is produced throughout several regions.

***A key partner for a broad and diversified base of OEMs around the globe with strong customer centricity***

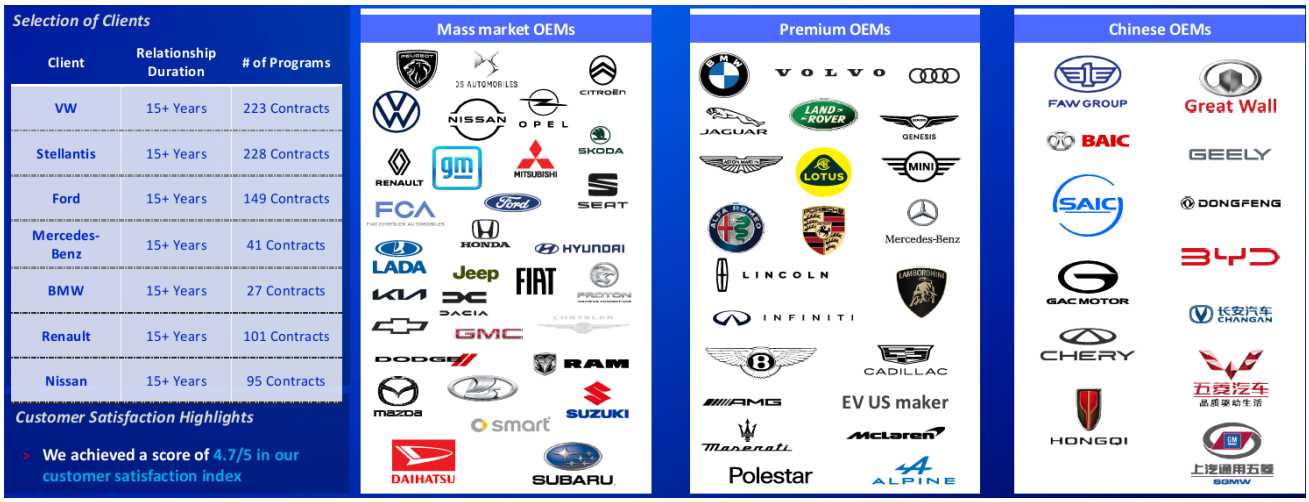
Our position as one of the leading automotive suppliers is underpinned by the nature of the global automotive supplier market, which is characterized by long-term customer relationships, the requirement by OEMs for reliable suppliers which can produce high volume products and the ability to provide services to customers not just in one geographic region, but globally. The Group has built long-term relationships with a large number of

OEMs over the years, and our customer-centric approach has been instrumental in ensuring the strengthening of our leading market position and long-term growth prospects.

Our diversified model allows us to serve the full spectrum of OEMs, including blue-chip customers ranging from mass market to premium segments as well as commercial vehicles and new entrants in the OEM industry. We have strategically been diversifying our customer base over the years and today serve all major OEMs across North America, Europe and Asia. We have been able to build longstanding relationships with these clients, many of which have extended over decades. Such relationships have been strengthened by years of cooperation to develop new products and innovative solutions and integrate into the supply chain of our customers on global programs. These relationships are difficult for our clients to replicate, as such levels of cooperation and programs require suppliers with a high degree of sophistication and a manufacturing footprint with a global reach.

With the help of the large scale of our operations, we have a long-term track record of delivering solutions to our customers on a highly reliable basis around the globe. We also have the ability to meet demand for high-volume production, which enables us to be seen as a strategic partner to our customers. This unique relationship and proximity with our customers support our growth, as demonstrated by our proven track record of new contract signings with existing as well as new clients who have indicated high levels of customer satisfaction.

The below provides a view of some of our key customer relationships:




To maintain our strong operational excellence, we have in place a dedicated customer satisfaction program. The Total Customer Satisfaction Strategy (TCS) enhances and affirms FORVIA's competitive advantage in terms of quality and customer loyalty. Product safety occupies a central place in this strategy, which is deployed by the Group on all its sites through quality agreements and the sharing of the vision in all regions, while integrating local needs. To guarantee quality performance and thus improve the customer experience from the innovation phase to the after-sales guarantee, FORVIA focuses on four pillars:

- program quality: ensuring quality from the innovation phase to mass production by designing products and processes that meet customer expectations;
- launch quality: to start mass production with quality standards while meeting customer expectations;
- operations quality: checking the absence of defects within internal operations and with our suppliers;
- customer experience quality: aiming for benchmark performance and quality customer service.

FORVIA benchmarks performance using a customer satisfaction index. Our Total Customer Satisfaction program also comprises initiatives such as our Digitalization initiatives and the FORVIA Excellence System.

*Customer satisfaction index*

The customer satisfaction index is used by FORVIA to assess its performance with regard to its customers. It combines relevant key performance indicators and customer perception: (1) *performance*: main indicator for customers based on the number of incidents and customer complaints; (2) *perception*: indicator based on a

survey sent to all of the Group's customers, which includes a score from zero to five stars, zero being the lowest rating, five the highest.

*Digitalization for customer experience*

We use specialized quality reporting tools designed to meet the requirements of our main customers and to gauge their level of satisfaction at each point of contact throughout the customer journey: from the acquisition phase, through the program phase to mass production.

In addition to this tool, various indicators related to the customer experience, such as external complaints, costs related to quality defects and alerts issued by the Alert Management System (AMS), are centralized at Group level. These indicators are monitored using a dashboard. In this way, the quality team can quickly deal with problems reported by customers, identify defective products internally, and monitor the performance of each business group by site month after month. This automated feedback enables effective decision-making and the implementation of action plans without delay.

Across our sites, we deploy automated guided vehicles, data analysis, and 3D simulations to optimize operations. Our digital model plants are utilizing the latest digitalized tools and processes. Innovative approaches are tested in benchmark model plants before wider implementation.

*The FORVIA Excellence System*

Starting in 2023, we released the new FORVIA Excellence System (the "**System**"), which aims to deliver best-in-class industrial performance in an increasingly competitive world. With FORVIA Excellence System, we are taking a next step toward our ambition to become a sustainable mobility technology leader.

The System focuses on our key priorities: Total Customer Satisfaction, Sustainable Competitiveness, and Talent Development, all within a safe working environment. We intend the System to contribute to our operational efficiency and aim to deliver flawless program management to fulfil the Group's POWER25 profitability target. The System delivers a 360-degree approach to operations and covers a wide range of topics, from production and launches to production control & logistics, health, safety and environment, human resources, quality and plant management.

The main evolutions of the System include:

- Managing full profit and loss scope and performance improvement to reach benchmark status.
- Optimizing our execution in a volatile environment through digital solutions, now largely deployed and accelerating our continuous improvement by leveraging data.
- Raising environmental impact awareness, to build a sustainable future for the company and honor our commitment to reach $CO_2$ net zero by 2045.

The implementation of the System across all FORVIA sites is anticipated by 2025. This journey towards sustainable excellence starts with the understanding of what the FORVIA Excellence System means to our organization, how it is developed, and how it is going to be implemented.

Our FORVIA Education Path will help develop the right level of understanding and ownership of this new system, in particular among shopfloor teams, whose empowerment and engagement is pivotal.

Everyone, from operators to management, in plants, divisions, business groups and functions, must ensure we give the right focus, energy, and resources to achieve our business goals through the strong application of FORVIA Excellence System.

FORVIA Excellence System implementation will guarantee the stability, sustainability and performance of our plants, thus the competitiveness of our Group.

*Awards*

We believe that the numerous awards that we have received from our customers and our record order intake over the last few years demonstrates the confidence of our customers in our Total Customer Satisfaction strategy. We are a strategic partner of many of our major customers, regularly receiving customer recognition

awards for global performance, manufacturing excellence, cost savings and innovation. In particular, in recent years we received a General Motors Supplier of the Year Award, a Ford World Excellence Award, and (in April 2024) two Automotive News PACEpilot Innovation to Watch recognitions, acknowledging post-pilot, pre-commercial innovations in the automotive and future mobility space. Our global performance and operational excellence as a strategic supplier has also led to various notable business developments, including the following received in 2024*:*

- In April 2024, FORVIA launched a new work lamp for vehicles in mining, construction and forestry: the RokLUME 280N SMART, which allows machine operators to customize the work lighting to suit their individual needs and lighting conditions.;
- In July 2024, FORVIA developed a completely new headlamp concept for the Q6 e-tron in collaboration with the German premium manufacturer Audi. Its specialty is a digital daytime running light matrix that gives end users the option of selecting their preferred digital light signature from up to eight preset designs;
- In October 2024, FORVIA partnered with Dacia, a Renault group brand, to provide its Aptoide Apps Market solution for Dacia vehicles. This collaboration kicked off with the integration in the all-new Duster as well as the new Spring, now in production. As of August, approximately 30,000 Dacia cars were already equipped with FORVIA's Apps Market. Complete Seat for VW Small BEV Spain;
- In November 2024, FORVIA launched an aerodynamic rear wing lighting for the full electric SUV LYNK & CO Z20 (LYNK & CO 02 in Europe) for the Chinese new energy vehicle brand LYNK & CO. This product incorporates an ultra-long overhang wing design, creating a highly three-dimensional and differentiated aesthetic appearance and significantly enhancing the aerodynamic performance of the vehicle.

***Focus on profitability, financial discipline and resilience***

Our profitability and financial discipline form an important foundation for our transformation and sustainable value creation. Over the past several years we have achieved significant improvements in our profitability, while remaining generally resilient in light of the shocks that have impacted the sector in the past few years, including inflation, volatility in automotive supply chains related to the war in Ukraine, and the Covid-19 related lockdowns in China during the period.

For the year ended December 31, 2023, we reported strong sales growth of 14.0% at constant scope and currencies, outperforming growth in worldwide automotive production, with all our business groups growing at double digit rates at constant scope and currencies. This was largely due to favorable volumes and inflation pass-through which helped drive operating income to €1,439.1 million, representing 5.3% of our total sales, reflecting a rebound in automotive production across all regions that was facilitated by a gradual recovery of supply chains following Covid-19 disruptions and the automotive market recovering to its pre-Covid levels. For the year ended December 31, 2024, we reported sales growth of 0.4% at constant scope and currencies, outperforming growth in worldwide automotive production by 150 bps.

Despite continued inflation and negative currency impact related to the depreciation of the Argentinian peso and Turkish Lira, our operating margins also benefited from further progress in delivering cost synergies related to the integration of HELLA in key areas, including procurement, freight and selling and administrative expenses, amongst others, which reached a cumulative total of €334 million at the end of 2024 (compared to €190 million at the end of 2023), and we believe we are on track to deliver our revised guidance of over €400 million (compared to €350 million initially) of net cost synergies by the end of 2025. For the year ended December 31, 2024, we reported an operating income of €1,400.0 million, representing 5.2% of our total sales, compared to a reported operating income of €1,439.1 million for the year ended December 31, 2023, representing 5.3% of our total sales, reflecting the ramp-up of the EU-Forward project in EMEA and the positive impact of the termination of the loss-making Highland Park Seating program in Michigan, North America.

During the year ended December 31, 2023, we also achieved our top priority of further deleveraging our capital structure following the acquisition of HELLA, reducing our net debt by close to €1 billion through a combination of a strong focus on cash generation and the successful completion of our first one billion euro disposal program

launched in mid-2022, bringing our ratio of net debt to Adjusted EBITDA for the year ended December 31, 2023 to 2.1x, from 2.7x as at December 31, 2022. In October 2023, we announced the launch of a second €1 billion disposal program to continue to simplify our portfolio as well as further accelerate our deleveraging beyond the initial POWER25 objective, with the first step of this second program being the disposal by HELLA of a 50% stake in BHTC, co-owned with MAHLE. Our leverage was thus further reduced during the year ended December 31, 2024 to below 2.0x and we believe we are on track to meet our end-2025 target ratio of 1.8x (before disposals).

With positive momentum in our operating income during the year ended December 31, 2023, we increased our net cash flow to €649.1 million before our disposal program, reflecting stable capital expenditures, including capitalized R&D in absolute value at respectively 4.1% and 3.8% of revenues and a positive impact from the implementation of cash management initiatives such as stringent inventory management, enhanced receivables collection with our customers and synergies on payment terms with our key suppliers. We are working to achieve steady and predictable levels of capital expenditure and working capital going forward. We also plan to grow while limiting our capital expenditure and capitalized R&D requirements through project prioritization, the use of advanced AI to lower innovation costs and increase efficiencies and continued synergies from our integration of HELLA. For the year ended December 31, 2024, our net cash flow amounted to €654.9 million (2.4% of sales), compared to €649.1 million (2.4% of sales) for year ended December 31, 2023.

In addition, we continue to adapt our operations and take necessary measures to accommodate anticipated medium-term market evolution. In 2024, we launched "EU-Forward", a project that we intend to implement over the next four years to reinforce the competitiveness and agility of our operations in Europe and which we expect to translate into a material improvement on our profitability in the region.

Our liquidity, comprised of cash available and undrawn commitments, as at December 31, 2024 amounted to €6,542.1 million compared to €6,223.9 million as at December 31, 2023. We had €4,500.4 million of cash available as at December 31, 2024 compared to €4,273.9 million as at December 31, 2023. We also had €1.95 billion of undrawn commitments, collectively, under the Syndicated Credit Facility and the HELLA Credit Facility as at December 31, 2024, compared to €1.95 billion as of December 31, 2023. We reported net debt of €6,622.6 million as at December 31, 2024 compared to €6,987.3 million as at December 31, 2023.

*Structural actions and cost flexibility*

We are also implementing structural changes to make our cost structure more flexible in order to increase our agility and resilience. We aim to rationalize and optimize our industrial footprint and tightly manage our direct and indirect headcount, in addition to other selling, general and administrative cost-cutting measures. These measures have become increasingly important to us in the post Covid-19 and high inflationary environment.

In particular, to adapt our operations to the evolving market and regulatory environment, evolving customer landscape and lower-than-pre-Covid vehicle production levels in Europe, we announced the launch of "EU-Forward," a project that will be rolled out across our European operations until 2028 to adapt our manufacturing footprint and R&D set-up, which we expect will significantly reinforce our competitiveness and agility in the region while helping rebalance the regional mix of our operating income and improving the contribution of our European operations to the overall group's performance. This project is expected to impact up to 10,000 jobs over the coming five-year period from the total of approximately 75,000 current employees in the region and result in an estimated cash restructuring outflow of approximately €800 million for annual targeted savings of €500 million.

We generally seek to pass through increased raw material costs to our customers through a variety of means. Certain raw material cost fluctuations, such as for monoliths, are directly passed through, whilst others are passed through (typically with a time lag) through indexation clauses in our contracts. In addition, we seek to pass through certain other raw material costs to customers through periodic price reviews that are part of our contract management. Our ability to pass through such costs has had a positive impact on our margins and profitability during 2023 and 2024.

The Group has hedging policies in place that aim to protect our energy costs from adverse fluctuation in electricity and gas prices. On top of these hedging policies, we have implemented energy savings measures and

accelerated energy self-production through the installation of solar panels at our sites. FORVIA is continuously working on its renewable electricity generation. In 2024, Forvia had reduced its energy intensity by 30% since 2019.

We seek to achieve steady and predictable levels of capital expenditure and working capital. We are still planning to grow while limiting our capital expenditure and capitalized R&D requirements by seeking better capital expenditure allocation.

***ESG as business driver with net zero leadership forthcoming***

We are the first automotive company in the world with an SBTi-approved net zero roadmap. We are targeting to be carbon neutral in Scope 1 Emissions and Scope 2 Emissions by 2025, reduce by 45% our Scope 3 Emissions by 2030 and reduce by 90% our Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by 2045. Our climate change approach has been positively acclaimed externally, as evidenced by CDP which again assigned FORVIA an 'A' rating in 2024 for transparency on climate change. We have a comprehensive approach that encompasses all the value chain from products sourcing to end of use.

Our managers are incentivized to achieve carbon reduction targets, as $CO_2$ criteria are included in the short-term compensation measures.

Our suppliers are a key element of our performance, and we aim to create together a responsible supply chain. Purchases of goods and services represent 66% of controlled emissions in scope 3. As such, selecting suppliers with $CO_2$ targets in line with those of FORVIA is key to help us achieve our carbon neutrality goal. We continue to raise awareness among our suppliers on the need for a $CO_2$ commitment supported by Executive Management, and a gradual increase of their EcoVadis score.

During the production phase, we are committed to incorporate recycled materials in our products whenever possible. Through our subsidiary MATERI'ACT, we develop and produce unique cutting-edge materials with low, and ultra-low footprint. The range of products includes recycled, bio-based and carbon-capturing compounds, bio-based foils, low $CO_2$ carbon fibers, and green steel for the automotive industry and beyond. For instance, we inaugurated a Net Zero plant in Fengcheng, China in 2023.

As per the FORVIA Excellence System, we are targeting to reduce energy consumption through several levers including energy savings and increased use of renewable energy through both on-site production and off-site purchase.

In terms of R&D, we are significantly investing into sustainable mobility. FORVIA is convinced that hydrogen mobility and fuel cell technology will occupy an important place in the propulsion energy mix for the next 10 to 15 years. The Group provides automakers with complete hydrogen storage system integration for different vehicle architectures, offering delivery of end-of-line tested turnkey systems. Meanwhile, we continue to invest in clean mobility and vehicle electrification.

We incorporate recyclability in our eco-design approach to anticipate the end-of-life phase and optimize production waste recovery. We systematically substitute for plastics that are not yet recyclable or difficult to recycle (PVC, thermoset or composite plastics such as polypropylenes loaded with glass fibers). We are also committed to offer repair solutions through our Lifecycle Solutions unit which aims to extend lifetime of products used, hence helping to reduce $CO_2$ footprint.

Our ESG commitment is further evidenced by its sustainability-linked financing framework, which aligns its business and financing with its commitments and values, by creating a direct link between its sustainability strategy and the funding strategy. Our managers are incentivized to achieve carbon reduction targets, as $CO_2$ criteria are included in the short-term compensation measures, demonstrating again our commitment to embed ESG in the strategy of the Group.

***Experienced management with proven track record and supported by robust governance***

We have two governance bodies, the Board of Directors and the Executive Committee, responsible for deciding and implementing our strategy.

*The Board of Directors*

The Board of Directors oversees our business, financial and economic strategies. This 14-member body, including 10 independent board members and 2 board members representing employees, meets at least four times a year. Three permanent committees are tasked with the preparation of discussions on specific topics: the Audit Committee, the Governance, Nominations and Sustainability Committee and the Compensation Committee. They make proposals and recommendations and give advice in their respective areas.

With their diverse backgrounds, experience and skills, our board members offer us their expertise, support in defining our strategy and tackling the challenges that we face within the context of our transformation and strategic direction.

*The Executive Committee*

Our executive functions are performed by an Executive Committee that meets monthly to review our results and oversees our operations and the deployment of our strategy. It discusses and prepares guidelines on important operational subjects, and its decisions are then deployed throughout the Group.

*Experienced Management Team*

Our management team has significant experience in the industry. Our new CEO, Martin Fischer, who succeeded Patrick Koller on March 1, 2025, is a global automotive industry leader with over 25 years of expertise. Bernard Schaferbarthold, HELLA's CEO and formerly its CFO, has been a member of HELLA's Management Board responsible for HELLA's Finance and Controlling functions since 2016 and has been with HELLA since 2013. The majority of the members of our Executive Committee have spent most of their careers in the automotive industry. We believe that the experience, industry knowledge and leadership of our management team will help us implement our strategy described below and achieve further profitable growth.

The governance structure of the FORVIA Group compromises separate but complementary governance bodies at FORVIA SE and HELLA GmbH & Co. KGaA with efficient decision-making processes within each governance body. This governance model allows the Group's companies to work together effectively, while adhering to the governance principles required for FORVIA and HELLA.

**Strategy**

We have adopted a transformation strategy to benefit from the four major trends of connectivity, autonomous driving, new mobility solutions and electrification which are disrupting the automotive industry. Our strategy is to develop innovative solutions for Sustainable Mobility and the Cockpit of the Future.

We implement our strategy by: (a) making significant investment in innovation and accelerating the integration of new products into the market through a strong ecosystem of strategic and technology partnerships; (b) focusing on operational efficiency and resilience through our Total Customer Satisfaction program and digital transformation program; and (c) maintaining a strong culture based on our core convictions and values.

Through our Sustainable Mobility strategy, we are facilitating the transition to clean mobility by developing solutions for fuel efficiency, zero emissions and air quality. Societal and political pressure on the automotive industry to reduce emissions has never been higher. As stringent new regulations are introduced around the world, and with demand for electrified vehicles consistently increasing, we have made sustainable mobility a strategic priority. We are addressing the major segments for internal combustion engines and electric vehicles by developing solutions for light vehicles, commercial vehicles and high horsepower engines.

Our Cockpit of the Future strategy provides solutions for a more connected, versatile and predictive environment, and responds to the increasing trend for autonomous and connected vehicles. The Cockpit of the Future will allow personalized consumer experiences combining functionalities such as infotainment, ambient lighting, postural and thermal comfort and immersive sound.

We believe that we are uniquely positioned to deliver solutions for Sustainable Mobility and Cockpit of the Future through our leading market positions in our Clean Mobility, Seating and Interiors businesses and through

the addition of HELLA's Lighting business and combination of Faurecia Clarion Electronics with HELLA's Electronics business.

The HELLA Acquisition has been a strategic opportunity for us, enabling us to emerge as one of the world's largest suppliers to the automotive industry, with a cutting-edge technology portfolio that addresses the major trends in the industry, and to achieve the combination of two highly complementary companies focused on innovation, operational excellence, customer satisfaction and environmental, social and governance ("**ESG**").

***Sustainable Mobility***

Our current sustainability strategy rests on a long-term view towards becoming a leader in zero-emissions hydrogen solutions while developing innovative solutions for electric and hybrid vehicles in the near term. To that end, our strategic roadmap for Sustainable Mobility focuses on the following four areas:

- developing hydrogen solutions for zero emissions;
- developing solutions for ultra-low emission passenger vehicles;
- developing solutions for ultra-low emission commercial and industrial vehicles;
- developing sustainable and smart materials;
- developing after-sales and repair services.

*Sustainable Mobility – Hydrogen solutions for zero emissions:* We believe hydrogen mobility will accelerate rapidly and achieve significant adoption by 2030. Hydrogen can be produced from various energy sources and is a storable energy carrier that generates no $CO_2$ emissions or polluting gasses when used in vehicles.

We believe that hydrogen is very well suited to commercial, heavy-duty on- and off-road vehicles, as well as high-horsepower engines, giving it the potential to transform transportation and logistics. By 2030, it is estimated that three to five million vehicles equipped with fuel cell technology will be on the roads (*source: Hydrogen Council Discussion Paper 2018*). Since 2018, we have halved the cost of our fuel cell systems and our objective is to continue to reduce the cost significantly. We are developing the next generation of hydrogen systems for commercial and light vehicles, heavy-duty trucks and industrial applications. We currently have the ability to produce several thousands of hydrogen storage systems per year and we aim to significantly increase our production capacity.

We aim to become a leader both in hydrogen storage systems and distribution services, which we develop in-house and for which we have created a center of excellence in France, and in fuel cell stack systems and services produced by Symbio. We are well-positioned in both of these key elements of fuel cell systems, which we estimate represent 75% of the value chain. Since 2018, we have invested over €380 million in hydrogen technology development. The market is expected to grow to €20 billion in 2030. FORVIA and Symbio – our zero-emission hydrogen joint venture with Michelin and Stellantis – have registered a cumulated order intake of €1.2 billion aligned with the long-term ambition of FORVIA as a leader in hydrogen with targeted revenues of €3.5 billion in 2030.

We inaugurated our first mass production plant of hydrogen storage in Allenjoie, France (with a capacity of 100,000 tanks a year, as of 2023).

We further accelerated hydrogen activities in 2023 with the inauguration of SYMBIO's gigafactory Symphon'hy in France. The new factory has a current production capacity of 16,000 fuel cell systems, to reach 50,000 fuel cell systems by 2026, paving the way for large-scale production and supporting its customers in their drive for low-carbon transport. It represents Europe's largest integrated site producing hydrogen fuel cells.

In line with this ambition, in 2020 we inaugurated our global center of expertise, which aims to develop lightweight and cost-competitive hydrogen storage systems. Located in Bavans, France, the center is dedicated to the design and tests of these systems. Our homologated tanks (350 / 700 bar) will also be produced at this new center. With this global center, we also aim to develop new industrial processes to accelerate production

and develop innovative materials and smart tanks to reduce the cost of the systems and increase their safety, durability and recyclability.

Moreover, in 2020, we acquired Ullit for high-pressure tanks. We believe this acquisition with Ullit's patented technology for impermeable tank shells will help reinforce our unique hydrogen ecosystem. We recently acquired a majority share in CLD, one of China's largest high-pressure tank manufacturers. We are working with CLD to develop and manufacture type III and IV hydrogen storage tanks for the Chinese market.

*Sustainable Mobility – Solutions for ultra-low emission passenger vehicles:* The requirement for increasing content in the powertrain to meet emissions control regulations, as well as the need for significant reduction in $CO_2$ emissions, drive the need for several of our key technologies which we estimate will increase the overall value of the exhaust line by 20% by 2030. We supply post-treatment systems for internal combustion and hybrid powered engines in order to reduce emissions and noise levels and recover lost energy.

The key technologies for fuel economy and emissions reduction that are already in production or will be by 2025 are the Electric Heated Catalyst ("**EHC**") solutions including a pre-heating function that can give a near zero emissions vehicle, and a combined Exhaust Gas Recirculation ("**EGR**") / Exhaust Heat Recovery Systems ("**EHRS**") which can give over 3% $CO_2$ savings.

Electrification also drives demand for ultra-quiet vehicles and we have developed products to reduce engine noise through advanced exhaust line architecture, electric valves and resonance free pipes.

*Sustainable Mobility – Solutions for ultra-low emission commercial and industrial vehicles:* We are anticipating the ongoing emissionization of all commercial vehicles, particularly in growth markets like China and India, where regulations are converging towards European and North American standards. Technologies such as our heated doser contributes to ultra-low NOx emissions by operating efficiently even at lower temperatures and is compatible with current and future after treatment architectures.

In 2018, we acquired Hug Engineering, the European leader in complete exhaust gas purification systems for high horsepower engines. In 2020, stringent regulations were implemented in all regions both for stationary and marine applications. In order to adapt to stricter emission regulations and to improve air quality, we developed "Electric Heated Catalyst" technology that will enable the emission control system in vehicles to reach its maximum efficiency at a faster pace.

*Sustainable and smart materials:* we design products taking into account their entire life cycle, from the use of resources and raw materials to their eco-design and recyclability at the end of their life. We offer bio-sourced materials that reduce the weight of parts and their carbon footprint. In 2022, we launched MATERI'ACT to develop and produce sustainable materials with up to 85% $CO_2$ reduction versus current materials. MATERI'ACT develops, sources, produced and sells cutting edge materials including recycled, bio-based and carbon-capturing compounds, bio-based foils, low $CO_2$ carbon fibers, and green steel.

*Sustainable Mobility – After-sale and repair services*: we offer solutions to extend the vehicle lifecycle and participate to the circular economy.

***Safe, Customized and Advanced Mobility***

From our leading position in our Seating and Interiors business groups, we have undertaken a series of acquisitions and partnerships which gives us a unique position in interior modules and systems architecture. The creation of Faurecia Clarion Electronics, regrouping the complementary technologies of Clarion, FCE Europe and Coagent Electronics, technology companies CovaTech and Creo Dynamics, as well as an ecosystem of start-ups and partners, provides us with the electronics, software, computer vision and artificial intelligence competences to deliver on our vision of the Cockpit of the Future. The acquisition of HELLA in 2022 further allowed us to become a major player in Electronics, as the acquisition brought complementary electronics technology that enhanced our product portfolio and expanded our market reach.

We completed the acquisition of the remaining 50% of our joint venture with Continental Automotive GmbH on January 30, 2020, a project that was announced on October 14, 2019. SAS Autosystemtechnik GmbH und Co., KG ("**SAS**") is a leader in cockpit module assembly, logistics and Just-in-Time delivery. The acquisition provides us with expertise in complex logistics and assembly and reinforces our systems integration offer to

cover the full range of interior modules. SAS has strong growth potential in North America and China and has also shown a very strong order intake in 2020.

*Safe Mobility*: Autonomous driving will lead to the development of new uses for the interior of vehicles. As occupant positions may no longer need to be fixed facing forward and upright, users will have more freedom to do other tasks during their journey. To ensure that passengers are safe in all seated positions, features such as airbags or the seatbelt can be integrated directly into the seat. This technology called the Advanced Versatile Structure ("**AVS**") allows occupants to drive, relax and work safely and efficiently. Smart kinematics effortlessly recline, lift, adjust and swivel the seat, and then return it smoothly and quickly back to the upright or driving position. Through our partnership with ZF, we are developing safety systems so that passengers can continue to travel safely in any seated position, whether they are driving, working or relaxing.

*Customized Mobility*: We are also developing solutions that provide an optimal onboard experience and enhance wellness. Through close monitoring of the thermal and postural comfort of the occupants, the cockpit will learn each occupant's preferences over time and leverage artificial intelligence to make adjustments so that people feel better at the end of their journey.

In terms of personalized sound experiences, we are combining activated sound surfaces, smart headrests integrating local ANC, IP and telephony, and high-end premium sound, such as that provided through our partnership with Devialet.

In terms of immersive driving experiences, we concluded a contract in 2023 with a German OEM to introduce VIBE, its immersive technology that embeds tactile sensations within the car seat. After five years of R&D in collaboration with Aurasens, pioneers in vibro-haptic composition, VIBE is expected to debut in a next-generation premium SUV by the end of 2025.

*Advanced Mobility:* We are focused on developing "smart surfaces" for drivers' expecting greater intuitive interaction with their vehicles. "Smart surfaces" combine traditional vehicle interior surfaces, such as the dashboard, with digital displays that are able to control cockpit temperature, sound and lighting. Increased connectivity in vehicles will drive new business models for upgradability, retrofit and services across the vehicle lifetime. We have developed a number of partnerships for connected services, for example with Microsoft for cloud connectivity, and Accenture for digital services.

In May 2019, we announced a 50/50 joint venture with Aptoide, one of the largest independent Android app stores to develop and operate Android app store solutions for the global automotive market. This joint venture offers OEMs an affordable and secured automotive apps market, available worldwide with adaptable content per region. The Aptoide app store offers one million Android apps covering a variety of use cases such as gaming, navigation, content streaming services, point of interest recommendations or parking. Aptoide also offers an integrated secure payment mechanism supporting OEM strategies for service monetization, whilst securing the vehicle and occupants' data privacy.

In May 2019, we announced an investment in GuardKnox, an Israeli automotive cybersecurity provider, to reinforce passenger safety and data security in the connected car and for new user experiences. This investment allows us to offer comprehensive cyber defense solutions (hardware and software) for connected and autonomous vehicles.

***Strategic Programs and 2025 Targets***

*Our ambitions and targets for our future results presented below constitute forward-looking statements and reflect our present ambitions with regard to future performance. Our future performance is subject to a number of important factors and uncertainties that could cause actual results to differ significantly from those described below. Although we believe that the ambitions reflected in these statements are based on reasonable assumptions given our knowledge of our industry, business and operations as at the date of this Offering Memorandum, we cannot give any assurance that these assumptions will prove to be correct, and we caution you not to place undue reliance on such statements. For more information, see "Forward-looking Statements" and "Risk Factors."*

*This information has been prepared by, and is the responsibility of, management and has not been audited or reviewed by Mazars or Ernst & Young Audit, nor have any procedures been performed by them with respect thereto. The below information is also based in part on preliminary results and estimates and is not intended to be a comprehensive statement of our financial or operational results.*

Our strategic pillars are supported by the implementation of several ongoing strategic projects that aim to support our position as a leader in our industry.

On February 19, 2024, we announced the launch of our project "EU-Forward," a five-year project to reinforce our competitiveness in Europe from 2024 to 2028. The objectives of the EU-Forward project are to:

- *Adapt the Group's operations to the fast-changing environment*. Changes in the industry include the expected implementation of internal combustion engine bans in Europe through 2035 that oblige the industry to adapt to an evolving regulatory environment. We anticipate an acceleration in electrification and a structural shift in vehicle sales.

- *Prepare for the evolution of the OEM customer landscape in Europe*. We anticipate the arrival of new entrants from Asia, with Asia expected to soon account for 60% of world vehicle volumes. Our aim is to secure our strong European Union ("**EU**") positions.

- *Improve FORVIA's profitability in the EU and rebalance FORVIA's regional mix*. To address structural overcapacities in Europe, we intend to adapt our regional manufacturing and R&D set-up. In addition to natural attrition, we anticipate implementing a recruitment freeze to reduce recruitment in Europe and reductions in hiring short-term and temporary workers, including external R&D resources. We anticipate increased global R&D and program management efficiency, notably by aiming to leverage artificial intelligence and generative artificial intelligence, including our "AI/GenAI transformation" initiative with the ambition of achieving up to 50% efficiency gains on R&D and core program teams in each business group. The EU-Forward project could impact up to 10,000 jobs (out of approximately 77,100) over the five-year period.

In addition to our "EU-Forward" program, we have developed our "West East" program, which aims to reinforce our competitiveness by benefitting from electric vehicle production growth in Asia. In particular, we intend to leverage the structural advantages that exist in China, such as direct access to critical resources, cheaper energy costs compared to the EU and subsidies available to local companies, to produce more affordable electric vehicles. These advantages allow vehicle production costs to be significantly more competitive in Asia than in the EU, and we believe that adapting our European industrial setup and increasing our industrial footprint in Asia are important to remaining competitive. We have already worked with 19 out of the top 20 Chinese OEMs and aim to continue to reinforce our positioning in Asia, including by strengthening our ties with Japanese and South Korean OEMs and benefitting from growth prospects in India.

Furthermore, through our "Engage" program, we have defined another set of strategic priorities that we expect will bolster our larger financial objectives. "Engage" highlights our ambition of designing based on Scope 3 Emissions, and we are targeting to be carbon neutral in Scope 1 Emissions and Scope 2 Emissions by 2025, and reduce by 45% our Scope 3 Emissions by 2030. As part of this program, we have also set a target of increasing our efficiency gains in 2028 by up to 50% with the help of AI and Generative AI and through the transformation of our engineering and program management.

Additionally, we have recently developed our "Power25" initiative, a medium-term plan created with the mission of driving profitable growth. The ambitions of this plan are based on three key priorities: (i) focusing on operational excellence; (ii) managing through cash; and (iii) accelerating deleveraging and managing maturities.

With these key priorities in mind, the Group has defined the following financial objectives for 2025:

- **Sales**: between €26.3 billion and €27.5 billion at constant exchange rates;

- **Operating margin:** between 5.2% and 6.0% of sales, supported by initiatives for operational excellence and fixed costs reduction;
- **Net cash flow**: equal to or above 2024 levels, through margin expansion and continued actions to reduce capex and inventories; and
- **Net-debt-to-adjusted-EBITDA**: at or below 1.8x (before disposals) at December 31, 2025.

These objectives are based on an assumption of worldwide automotive production of 89.5 million light vehicles in 2025 (S&P forecast of February 2025), with no major disruption materially impacting production or retail sales in any automotive region during 2025. In particular, these objectives are based on market assumptions in line with the S&P forecast of February 2025, including: Europe excluding Russia: -4.9% (of which -8.7% in the first half of 2025 and -0.4% in the second half); North America: -2.1% (of which -4.9% in the first half of 2025 and +0.9% in the second half); China: +1.9% (of which +7.8% in the first half of 2025 and -2.8% in the second half); Rest of Asia: +1.1% (of which +0.3% in the first half of 2025 and +1.8% in the second half); South America: +6.6% (of which +10.5% in the first half of 2025 and +3.5% in the second half). At FORVIA's mix of sales, this should correspond to organic growth of -2.0% in 2025 compared to 2024, with a significant imbalance between the first half and second half of 2025 (-4.0% in H1 and broadly stable in H2).

These objectives also assume constant average currency exchange rates year-on-year. Tariffs that have been imposed and enforced by the United States as of February 2025 measures are factored into these objectives; however, the impact of any additional measures imposed or enforced by the United States has not been taken into account due to uncertainty concerning scope, implementation, duration and potential impact on industry volume.

**Sustainable Development**

The political and societal drive towards addressing climate change has now reached the forefront of the agenda in many countries and regions of the world. The Green Deal in Europe to reduce greenhouse gas emissions by 55% in 2030 and to have no net emissions in 2050 is a clear demonstration of this, as is the emphasis put on renewable energy in economic recovery plans. With transport accounting for around one quarter of global $CO_2$ emissions and passenger vehicles accounting for around 10%, the automotive industry has a strong responsibility to reduce greenhouse gas emissions and reduce its environmental impact. We believe these actions with respect to climate change present a number of opportunities for us. In September 2021, we joined *Entreprises pour l'Environnement* (EpE), a French association bringing together more than 60 French and international companies from all business sectors, willing to better include the environment in their strategy and business decisions.

Sustainable development is fully integrated into our transformation strategy and corporate culture. Within this cultural framework, we have defined six convictions and six values that guide our actions and behaviors. Our six convictions form the basis of our corporate social responsibility ("**CSR**") strategy, "Inspired to Care", and our CSR roadmap.

Our CSR roadmap is based on the following main projects:

- *Achieving Net Zero by 2045,* with 2 intermediate milestones: $CO_2$ neutrality on Scope 1 Emissions and Scope 2 Emissions by 2025; and a reduction of 45% on Scope 3 Emissions by 2030 (compared to 2019) by focusing on three main levers: "use less", "use better" and "use longer". We design our products for scope 3: working with fewer virgin material, transitioning to frugal architecture, and creating products that last longer and are easier to recycle.

- *Developing more sustainable materials into our products.* We intend to use more sustainable and/or recyclable materials, reducing the amount used and extending their lifespan, to help reduce the overall environmental impact of our products. For example, we have introduced our "Seat for the Planet" and "Interiors for the Planet" innovation programs to advance use of sustainable, low carbon emission and/or recyclable materials in our products. Under our "Interiors for the Planet" program, we have launched the NAFILean™ and NFPP Family product lines.

- *Innovating for Sustainable Mobility and Cockpit of the Future*. We intend on accelerating our transition towards clean mobility solutions through our investment in hydrogen technologies, such as our collaboration with Michelin via the Symbio joint venture. We believe our Electronics business unit, including Faurecia Clarion Electronics, which has been combined with HELLA's electronics and software operations, will offer various growth opportunities for our Cockpit of the Future solutions. We have also partnered up with various industrial partners and invested in start-ups to accelerate innovation in our Sustainable Mobility and Cockpit of the Future strategies.

- *Committing to Total Customer Satisfaction*. We launched our Total Customer Satisfaction program in 2019. The program aims at capturing a holistic picture of customer satisfaction and feedback, both in term of performance and perception of the overall value chain, from order taking to the start of production.

- *Engaging suppliers for sustainable procurement and supply chains*. Our purchasing policy is an integral part of our social and environmental responsibility. Our suppliers have to comply with our supply chain requirements to assist us in achieving our carbon neutrality goal. We rely on our partner, EcoVadis, in assessing our suppliers in terms of their social and environmental responsibility.

- *Developing an inclusive culture for hiring and retention of talent*. We have launched an inclusive management approach, with particular emphasis on gender diversity. Through this approach we aim to better understand and promote the contribution of diversity in our teams to increase creativity, positivity and better results amongst our employees. We aim to achieve this by focusing on three areas: training management teams developing future talents and recruiting high-potential candidates. In May 2021, we hosted a first-of-its-kind global event dedicated to diversity and inclusion. Two virtual sessions were organized to celebrate the many initiatives happening across the company. Focus was placed on gender diversity, an area where we are committed to progressing. We are also focused on continuously improving female representation with a target for women to represent 35% of total managers and professionals by 2030 alongside 30% of female employees in the Top 300.

- *Promoting training and apprenticeships to prepare for the major changes of the future*. We provide training to our employees through our internal training universities to enable all employees to understand the fundamentals of their relevant business area, integrate technological developments and adapt to the changes in our external environment.

- *Committing to projects with a social impact*. In March 2020, we launched the FORVIA Corporate Foundation to contribute to supporting and developing projects that promote education, mobility and the environment. In the second half of 2020, we initiated projects to promote these three areas in India, Mexico and Morocco and in 2021 eight more employee solidarity projects were supported in China, Europe and the Unites States. We estimate that approximately 6,000 individuals have been supported through the FORVIA Corporate Foundation since 2020.

***Ambition to achieve $CO_2$ neutrality for all scopes 1, 2 and 3 by 2045.***

We are committed to tackling climate change and have launched an ambitious program to become $CO_2$ neutral by 2045. Through this program, we aim to both reduce our environmental impact and create long-term value across our entire supply chain. We are investing in innovation to advance the sustainability of our products and industrial processes across all of our businesses.

We have developed a plan in three steps to achieve this goal. This plan is validated by the Science Based Targets initiative ("**SBTi**"). FORVIA is the first automotive company whose $CO_2$ neutrality has been validated by SBTI against its new "net-zero emissions" standard.

The steps in FORVIA's plan to achieve $CO_2$ neutrality are as follows:

- *By 2025:* we aim a reduction of at least 80% in Scope 1 Emissions and Scope 2 Emissions across all our sites compared to 2019. We have been leveraging partnerships with major energy players since 2019 to implement and accelerate energy reduction strategies, generate green power at our own sites, and purchase renewable energy.

- *By 2030:* we aim to reduce our Scope 3 Emissions by 45% compared to 2019, including Controlled Emissions of our products and emissions of vehicles equipped with our products. We are focusing on the use of sustainable materials, the development of eco-design (frugal architecture) and the Life Cycle Analysis of our products. These levers enable the $CO_2$ neutrality strategy to be managed across the entire supply chain.

- *By 2045:* we aim to achieve $CO_2$ neutrality by reducing our Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by at least 90% (compared to 2019) and we will focus on neutralizing our residual emissions by promoting $CO_2$ sequestration solutions in our products.

FORVIA's Scope 1 & 2 strategy is based on:

- *Energy frugality:* from 2019 to 2023, we reduced our energy intensity by 26%. To roll out energy efficiency programs, the Group has entered into partnerships with Schneider Electric, Engie and GreenYellow. These contracts cover more than 60 sites and have enabled reductions in the consumptions of the sites concerned.

- *Replacing fossil fuels with renewable energies:* in 2023, the Group contracted two virtual power purchase agreements in Northern Europe providing up to 642 GWh/year of renewable electricity. These projects make it possible to decarbonize up to 70% of FORVIA's European consumption, and up to 25% of its global electricity consumption. They are now in production. FORVIA has also signed partnerships with Engie and EDP to develop the production of photovoltaic electricity for self-consumption on its sites. To date, 50 sites have contracted a project for a projected capacity of 61MWp. All new sites commissioned are now compatible with the installation of roof-based solar panels. In 2023, FORVIA signed a partnership with Schneider Electric, "Electrification as a service", aimed at electrifying heating systems and gas-powered processes.

To reduce Scope 3 Emissions, the Group is developing materials with an ultra-low $CO_2$ footprint

- FORVIA has created a dedicated entity, MATERI'ACT, a pure player in sustainable materials in 2022. In late 2023, we inaugurated our world-class R&D center in Villeurbanne, France, where we develop and industrialize innovative ranges of low $CO_2$-materials from sustainable foils bio-based and recycled plastic compounds, and carbon fibers with an ultra-low footprint, enabling a reduction in $CO_2$ emissions up to 85% by 2030 compared to existing materials.

- FORVIA is also the co-founder of the company GravitHy, which will produce very low carbon steel from hydrogen (creation of a plant in France planned for 2027).

- As of December 31, 2024, the Group had reduced the $CO_2$ emissions in its supply chain (Scope 3) by 15% compared to 2019, showing progress towards its goal to reduce Scope 3 Emissions by 45% by 2030.

***Planet, Business and People***

Guided by the United Nations Sustainable Development Goals, our CSR Strategy, "Inspired to Care", is structured around three pillars: Planet, Business and People.

- *Planet:* We are seeking to reduce the carbon footprint of our sites and activities through energy and transport purchases. We are also addressing the carbon footprint of our products by using more environmentally friendly materials and processes. We have an ambition to be $CO_2$ neutral for all scopes 1, 2 and 3 by 2045. Our emissions reduction targets have been approved by SBTi as compatible with the reduction required to limit global warming to 1.5°C. We have signed contracts with several Energy partners to develop an action plan to optimize energy sourcing and to use less energy and clean energy across all of our sites.

- *Business:* We are seeking to innovate and develop solutions for increasingly clean mobility. With organizations being challenged to be increasingly agile and faster, we work towards being more vigilant and compliant with the highest ethical business standards. Our goal is to become the preferred reference

partner of sustainable mobility in the market. The Group is a board member of the Hydrogen Council, which is a global initiative bringing together more than 140 leading companies in the field of energy, transport, industry and investment. The group is also a member of Hydrogen Europe and the National Hydrogen Council in France, which has been co-chaired by Patrick Koller, our former Chief Executive Officer since 2021.

- *People:* We are implementing stringent workplace safety and risk prevention policies. To prepare the teams for future changes, we provide many different types of training to as many employees as possible. To attract and develop talent, we favor a more inclusive culture. As a global company, our goal is to increase our role towards society by contributing to solving social issues.

In line with our convictions, we adhere to international initiatives for sustainable development. The Group is a signatory of Global Compact and contributes to the ambitions of the 17 Sustainable Development Goals of the United Nations. We are also a signatory of the French Business Climate pledge and have committed to following the recommendations of the Task Force on Climate Financial Disclosure. The Group is also committed through the Act4nature global alliance to act in favor of biodiversity with concrete actions planned. Finally, FORVIA has been a signatory of the Women Empowerment Principles (WEPs), an initiative established by the United Nations Global Compact and UN Women.

**History and Development**

We have been a major automotive equipment supplier for decades and trace our history back to 1914. We have grown in tandem with technological and industrial advancements to reach our current position as a market leader in three of our four business groups. The following are key milestones and acquisitions in our development.

**1997-1999.** Ecia (*Équipements et Composants pour l'Industrie Automobile*), the PSA Peugeot Citroën group's specialist automotive equipment subsidiary, launches a friendly bid for Bertrand Faure, bringing its direct and indirect stake in this group to 99%. The acquisition leads to our formation in 1998 with the underlying aim of focusing on the automotive equipment business. Ecia and Bertrand Faure merge, resulting in the PSA Peugeot Citroën group holding a 52.6% stake in our company by the end of 1999. At that time, we report sales of over €4 billion, with a workforce of 32,000 employees.

**2002-2005.** We acquired a 49% stake in the South Korean catalytic converter maker Daeki Industrial (specializing in exhaust systems for Hyundai), number two in its market, and subsequently increased our stake to 100%. We also purchased the South Korean exhaust systems company Chang Heung Precision, which holds market share of over 20%.

**2009.** We agreed to acquire Emcon Technologies, becoming the world leader in the exhaust systems market. Following completion of the all-equity deal, One Equity Partners (JP Morgan Chase & Co's private equity arm) took a 17.3% stake in our company (fully divested in October 2010) and the PSA Peugeot Citroën group's interest was reduced to 57.4%. In India, we bought out joint venture partner Tata to become the sole owner of Taco Faurecia Design Centre, which was renamed Faurecia Automotive Engineering India and became our development center in India.

**2011.** We became the first automotive supplier to introduce a complete range of bio-composite cockpit solutions.

**2012.** On May 3, 2012, we announced our acquisition of the Ford ACH interior components plant in Saline, Michigan (USA). On August 30, 2012, we announced the acquisition of Plastal France (Plastal SAS), a supplier of plastic body parts for Smart branded vehicles (Daimler). We acquired the automotive business of Sora Composites and signed a partnership agreement with Mitsubishi Chemical to co-develop and produce bio-plastics for the automotive industry.

**2013.** Our Clean Mobility business group entered into a joint venture agreement with Suzhou PowerGreen Emission System Solution Co. Ltd, to jointly manufacture clean mobility solutions in Shanghai. Our Interiors business group also entered into a joint venture agreement with Chinese automaker Chang'an Automobile Group, one of China's largest automakers to produce and deliver automotive interior equipment to Ford and PSA Peugeot Citroën group for its DS premium range and also enters into a cooperation agreement with Magneti Marelli for the design, development and manufacture of advanced human-machine interface vehicle interior

products. Our Seating business group entered into an agreement to establish a joint venture with Thailand-based equipment manufacturer Summit Auto Seats to support Ford's growth strategy in Southeast Asia, especially in Thailand.

**2014.** Our Interiors business group entered into a joint venture with Interval, a major French agricultural cooperative to develop the use of natural fiber-based materials for the automotive industry, and also entered into a joint venture with the Japanese equipment supplier Howa for the production of interior systems for the Renault-Nissan-Mitsubishi group in Mexico.

**2016**. On July 29, 2016, we completed the sale of Automotive Exteriors to Compagnie Plastic Omnium for an enterprise value of €665 million. The sale of Automotive Exteriors represented an important step in balancing our business model as it enabled us to accelerate our investment in higher value-added technologies within our remaining 3 divisions and to rebalance our geographical and customer portfolio. For example, part of the proceeds from the sale of Automotive Exteriors were used for our investments in Parrot Automotive SAS, Amminex Emissions Technology A/S ("**Amminex**") and Coagent Electronics. On December 6, 2016, we announced that we had entered into exclusive talks with FCE Europe, one of the leaders in connectivity and infotainment solutions for the automotive industry, with the aim of developing applications and platforms for connected vehicles. On December 13, 2016, we announced that we had increased our stake in Danish company Amminex from 42% to 91.5% through a share purchase agreement.

**2017**. On March 24, 2017, we completed our strategic partnership with Parrot Automotive SAS (subsequently renamed FCE Europe) by taking a 20% stake and subscribing to a convertible bond allowing us to increase our stake to 50.01% from January 1, 2019. On November 17, 2017, we acquire a 50.1% stake in Coagent Electronics in order to develop HMI and in-vehicle-infotainment such as displays, voice recognition, radio and navigation and smartphone applications.

**2018**. In March, we completed our acquisition of Hug Engineering, a leader in gas purification systems for high horsepower engines. We also announce our investment in French start-up Enogia, a specialist for energy recovery. In April, we announced the opening of a new technology center in Yokohama. In June, we signed a strategic partnership framework agreement with FAW Group to develop Cockpit of the Future technologies and Sustainable Mobility solutions. In October, we announced our full acquisition of FCE Europe. We also announced a new joint venture with Liuzhou Wuling, Faurecia Liuzhou Emissions Control Technologies. We also announced our acquisition of Clarion. In November 2018, we announced a strategic partnership with HELLA for the development of innovative interior lighting solutions. In December, we announced an investment in ESP Consulting, which uses cognitive science to optimize human well-being and performance in different situations.

**2019**. In February, we signed a partnership with Japan Display Inc. ("**JDI**") to enhance user experience inside the cockpit. In March, we signed a memorandum of understanding to create a joint venture with Michelin, a leader in sustainable mobility. The joint venture will incorporate each of Michelin's fuel cell related activities, including its subsidiary Symbio, with our fuel cell related activities with the aim of creating a world leader in hydrogen fuel cell systems. In April, we launched our fourth business group Electronics, originally based in Saitama, Japan. In April, we also announced the acquisition of a majority stake in the Swedish company Creo Dynamics, which provides innovative acoustics and Active Noise Control solutions. In April, we also announced the establishment of our first Clean Mobility manufacturing plant in Japan, located in Koriyama City, Fukushima Prefecture. In May, we announced an investment in GuardKnox, an Israeli automotive cybersecurity provider, to reinforce passenger safety and data security in the connected car and for new user experiences. In June, we announced the creation of a global center of expertise for hydrogen storage systems at our research and development center in Bavans, France. In July, we announced a collaboration with Microsoft to create connected and personalized services inside the Cockpit of the Future. In October, we announced the acquisition of the remaining 50% of our SAS joint venture with Continental, which completed in January 2020. In November, we announced the creation of a joint venture with Aptoide to develop and operate apps for the global automotive market. In December, we announced a partnership with Devialet to develop high-quality sound solutions for automakers.

**2020.** In January, we signed a cooperation framework agreement with Beijing Horizon Robotics to co-develop multi-modal perception artificial intelligence solutions and accelerate the commercialization of intelligent

cockpit systems and advanced driver assistance systems for the Chinese market. We also acquired Ullit, a French manufacturer of high-pressured tanks to reinforce our hydrogen ecosystem. In April, we entered into a new joint venture with Changchun Xuyang Industry (group) Co., Ltd ("**Xuyang group**") in relation to the production, assembly and sales of automotive display products, as well as relevant after-sales services for OEMs. In March, in response to the global spread of the Covid-19 pandemic that adversely impacted the automotive industry and the economy generally, we implemented an action plan to address the health and safety of our employees, manage our liquidity and infrastructure and limit the impact of decreased sales on our operating income. In May, we announced Schneider Electric as our preferred partner to support us in our commitment to reach $CO_2$ neutrality. In June we announced our investment in Moovency, a French start-up specializing in 3D skeleton tracking to reinforce risk assessment and workplace health in our plants. From July 2020, our joint venture with Aptiode will provide VW Latin America customers a connected user experience known as "VW Play." In July, we acquired a Canadian start-up, IRYStec Software to enhance user experience of cockpit display systems. We also announced a new joint venture with BAIC, one of China's largest automotive manufacturers, to provide complete seat assembly, seat frames, foams and headrests initially for BAIC Hyundai and other BAIC owned brands. This partnership will be created through our purchase of the 50% shareholding of Beijing BAI DAS Automotive System Co., Ltd. from DAS Corporation and is subject to obtaining regulatory approvals in China. In September, despite the impact of Covid-19 on our H1 2020 sales, we saw our sales return to the same levels as in 2019, especially in Europe and North America, and the Group's sales increased in China compared to the same period in 2019. In October, we inaugurated our global center of expertise for hydrogen storage and our partnership with Gaussin, a handling and transportation equipment and systems manufacturer, to equip a fleet of Gaussin's logistics and port vehicles with FORVIA's hydrogen storage system. In November, we announced that our greenhouse gas emissions reduction targets have been approved by the Science Based Targets initiative (SBTi). This is in line with our program to reach $CO_2$ neutrality. In December, Groupe Renault and our Electronics business group launched a partnership for multi-brand electronic repairs.

**2021**.

- In January we extended our collaboration with Microsoft to accelerate our transition to a fully cloud-based IT infrastructure.

- On January 16, 2021, Peugeot S.A. was merged into Fiat Chrysler Automobiles to form Stellantis N.V. As a result, Stellantis N.V. owned 39.34% of the capital stock and 38.91% of the voting rights in FORVIA. On March 8, 2021, the shareholders of Stellantis N.V. approved the distribution by it of up to 54,297,006 ordinary shares in FORVIA to Stellantis N.V.'s shareholders. The distribution by Stellantis N.V. of these shares took effect on March 15, 2021.

- On October 29, 2021, we finalized the sale of our Interior business group's acoustics and soft trim business to the Adler Pelzer Group ("**APG**"). APG is a worldwide leader in automotive acoustic and thermal components and systems. We believe the sale of this business has enabled us to focus on our core product lines within Interiors where we have a leading market position. Our acoustics and soft trim business represented €385 million of sales in 2019 and employs approximately 1,820 employees in 8 plants and one R&D center, all of which are based in Europe.

- In March 2021 we announced the construction of a new industry 4.0 platform in the Bourgogne-Franche-Comté region of France for a total cost of €165 million. Employing over 1,000 people in the long term, the new site will produce seats, innovative solutions for reducing vehicle emissions, and hydrogen storage systems. The new site will be equipped with the latest digital manufacturing technologies and will be a benchmark for $CO_2$ emissions reduction.

- In April 2021 we signed an exclusive advisory contract with Schneider Electric to procure offsite renewable electricity as part of its $CO_2$ neutral program. Under the agreement, we will benefit from Schneider Electric's support in the development and deployment of competitive processes for power purchase agreement sourcing to cover all FORVIA sites in Europe, North America, China and Brazil.

- In April 2021, we revealed disruptive innovations at the Shanghai Auto Show, designed for the needs of Chinese consumers enabling a safe, comfortable, and connected on-board experience. The Group

also showcased ultra-low emissions technologies and zero emissions hydrogen solutions for passenger and commercial vehicles.

- In April 2021, we also successfully completed the final closing of its acquisition of CLD, one of the leading Chinese manufacturers of hydrogen tanks.

- In May 2021, we were awarded a contract by SAIC to provide hydrogen tanks for a large fleet of commercial vehicles.

- On May 28, 2021, we entered into an amendment and extension of our Syndicated Credit Agreement, which was initially signed in December 2014 and already amended in June 2016 and June 2018. The amended agreement increases the total amount of the credit line available thereunder, which is undrawn, from €1.2 to €1.5 billion, enabling the Group to reinforce its long-term financial resources and flexibility. The agreement also extends the maturity of the credit line to five years, from June 2023 to May 2026, with two one-year extension options until May 2028. It further improves the other terms and conditions of the credit line. The interest rate of the credit line will vary depending upon the reduction of FORVIA's $CO_2$ emissions between 2019 and 2025, by which time the Group aims at being $CO_2$ neutral for its Scope 1 Emissions and Scope 2 Emissions (see "*—Sustainable Development—Ambition to be $CO_2$ neutral by 2030*").

- In June 2021, we acquired designLED. The Scotland-based company, specialized in advanced backlighting technologies, is expected to strengthen FORVIA's offer for display technologies and enrich its immersive experiences for the Cockpit of the Future.

- In June 2021, we also inaugurated a new industrial site in Togliatti, in the Samara region. The city will thus be home to both our largest site in Russia and our regional headquarters, building on the Group's six sites across the country and energizing its momentum for this dynamic market.

- In June 2021, we also announced the success of our first employee share ownership plan, as the subscription period ended on June 25. More than 22% of employees across 15 countries expressed their wish to invest in Faurecia Employee Share Ownership ("**Faur'ESO**") 2021, marking a success for a first transaction.

- In July 2021, we announced the creation of our new Sustainable Materials division to develop and manufacture cutting-edge sustainable and smart materials. The division will work across our business groups to propose solutions for the development of low-$CO_2$, and even $CO_2$-negative, materials in order for us to better support OEMs in attaining their sustainability objectives. We are planning to build a dedicated Sustainable Materials R&D Centre and a pilot plant, both expected to be operational in 2022. This new entity is expected to initially employ 125 engineers and over 400 in 2030.

- In August 2021, we announced the HELLA Acquisition.

- In September 2021, we announced our acquisition of the intellectual property assets of uMist Ltd., a Swedish startup specialized in biomimetic spray technology, to accelerate our technology leadership for commercial vehicles ultra-low emissions.

- In September 2021, we also selected Swedish steel maker SSAB, to partner for fossil-free high strength steel for use in our Seating business group. We secured SSAB fossil-free steel to start equipping our seating structures from 2026 onwards.

- In September 2021, we also selected ENGIE, a world leader in low carbon energy and services, to become a partner and support our ambition to reach $CO_2$ neutrality for scopes 1 and 2 by 2025. Under this partnership, ENGIE will provide energy solutions to be deployed across 100+ of our sites worldwide, expected by mid-2022.

- In September 2021, we became a member of Entreprises pour l'Environnement ("EpE"). a French association bringing together more than 60 French and international companies from all business sectors, willing to better include the environment in their strategy and business decisions.

- In October 2021, we announced, together with Air Liquide, the signing of a joint development agreement to design and produce on-board liquid hydrogen storage systems for the automotive industry. Through this technology partnership, we aim to accelerate the deployment of zero-emission heavy-duty mobility.

**2022**.

- In January 2022 and April 2022, we announced partnerships with BMW Group and Mercedes-Benz group AG, respectively, to integrate the Faurecia Aptoide app store, which will provide access to a variety of applications, such as navigation, music on demand, audio books, video streaming, games, weather, electric vehicle charging and parking, into their respective premium car platforms.

- In January 2022, we announced the closing of the HELLA Acquisition and in February 2022 we launched FORVIA, our new name combining Faurecia and HELLA.

- In February 2022, we committed to set science-based targets to reach net-zero global emissions by no later than 2050, continuing our focus on the environment and climate change, and in May 2022, we achieved a milestone in our roadmap to become $CO_2$ neutral for our industrial operations (scopes 1 and 2) by 2025 by signing power purchase agreements with ENGIE and EDP to equip over 150 sites in 22 countries with solar panels. See "*—Sustainable Development—Ambition to be $CO_2$ neutral for Controlled Emissions by 2030*".

- In May 2022, we signed a Cooperation and Research Agreement with Veolia to jointly develop innovative compounds for automotive interior modules, aiming to achieve an average of 30% of recycled content by 2025.

- In March, April and June, 2022, respectively, we expanded our efforts to develop hydrogen mobility solutions by (i) partnering with MAN on a project to equip a Bavarian fleet (*Bayern flotte*) of heavy-duty trucks with complete hydrogen storage systems, as part of a state-supported fuel cell research project; (ii) being selected by the California Energy Commission, alongside Symbio, Michelin, GTI and other industry partners, to develop and demonstrate the performance of a hydrogen-fueled, regional-haul Class 8 truck as part of a state-supported hydrogen mobility project; and (iii) collaborating with Air Flow on a contract to supply high-capacity hydrogen storage containers for refilling stations.

**2023**.

- At our General Meeting on May 30, 2023, we changed our company name from Faurecia to FORVIA. This new name marks a new stage in the creation of the Group combining Faurecia and HELLA and aims to strengthen the reputation and attractiveness of the FORVIA brand within its ecosystem.

- In 2023, FORVIA completed the €1 billion asset disposal program announced and started in 2022 intended to accelerate the Group's debt reduction following the acquisition of a majority interest in HELLA, completed in early February 2022. This program, completed in less than15 months, includes:
    - approximately 40% of transactions relating to non-consolidated joint ventures:
        - sale by HELLA of its 33% interest in HBPO to its co-shareholder Plastic Omnium (completed in 2022);
        - acquisition by Stellantis of an interest in Symbio, a company previously 50/50 owned with Michelin and now equally owned by the three companies (finalized in the third quarter of 2023);
    - approximately 60% of transactions resulting from the sale of consolidated non-strategic assets to players in the automotive industry:
        - sale of the Interiors business in India to TAFE (finalized in 2022);

- sale of the SAS Cockpit Modules division to the Motherson group (finalized in the third quarter of 2023); and
- sale of the commercial vehicle exhaust business in EMEA and the Americas to Cummins (completed in the fourth quarter of 2023).

- In October 2023, FORVIA announced the launch of a new €1 billion disposal program. The first step of this new program was the sale by HELLA of its 50% interest in BHTC, co-owned with MAHLE, for a value of €600 million (i.e. €300 million for each of the two shareholders), which was completed in the first half of 2024.

- FORVIA stepped up its decarbonization efforts by signing a ten-year supply contract with Renewable Power Capital. The agreement allows for 70% of FORVIA's European consumption to be provided by purchasing renewable electricity from the Klevberget onshore wind farm in Sweden, thus contributing to FORVIA's net zero target approved by SBTi.

- The Group has also made further progress in its objective of reducing CO emissions in its supply chain (Scope 3):
  - MATERI'ACT, an entity of the Interiors business, inaugurated its world-class R&D center in Villeurbanne (Auvergne-Rhône-Alpes region) to develop the materials of tomorrow with the objective of reducing their carbon footprint by 85% by 2030, with the development of plastics made from 70% recycled materials;
  - the Group has started a partnership with the Nordic company SSAB to develop seats incorporating 90% decarbonized steel structures, with series integration planned for 2026.

- 2023 was also marked by major advances in the field of hydrogen:
  - the Group has launched the mass production of Type IV hydrogen tanks from the Allenjoie plant (Bourgogne-Franche-Comté region), aiming to produce 100,000 tanks per year, intended to supply the hydrogen distribution and storage market for the automotive industry in Europe. This plant obtained "BREEAM Excellent" certification, a first in France symbolizing the reduction in energy consumption and serving as a model for the Group's global production standards;
  - in July, FORVIA and Michelin sold part of their interest in Symbio to Stellantis, helping to strengthen the resources and growth prospects of the hydrogen fuel cell specialist. In December, Symbio inaugurated SymphonHy, the largest fuel cell manufacturing plant in Europe, in Saint Fons (Auvergne-Rhône-Alpes region). This "BREEAM Very Good" certified plant employs more than 450 engineers and plans to deploy an annual production capacity of 50,000 batteries by 2026;
  - lastly, the Group won its two first Type IV hydrogen tank programs for medium-duty commercial vehicles in North America, confirming its status as an international player.

**2024**.

- FORVIA announced several new partnerships and agreements, including: (i) a demonstration of in-vehicle Emotion Artificial Intelligence ("**AI**") with Smart Eye, a leading provider of Human Insight AI to the automotive industry; (ii) the development of software to abide local traffic regulations to facilitate autonomous driving with TÜV Rheinland; (iii) the acquisition of a portion of HELLA's people sensing business by the Swiss company, Xovis; (iv) a new joint venture to accelerate compounds for sustainable automotive products, MATERI'ACT Dallas, with PCR Recycling; (v) the development of a new headlight technology with Austrian motorcycle manufacturer KTM; (vi) a Memorandum of Understanding to equip heavy-duty trucks with liquid hydrogen storage systems with Air Liquide, a leader in gases and technologies, and FAW JIEFANG, a major Chinese truck manufacturer; (vii) a letter of intent with GREE Electric to establish a joint venture in China by the end of 2024 aimed at developing high-content recycled plastic for top-tier sustainable materials for the automotive, household appliance,

and other industries; (viii) a joint venture agreement with Chery to build a Research and Development center and launch two production sites in 2024 to support Chery's rapid growth.

- FORVIA completed the divestment of HELLA's 50% stake in BHTC to AUO Corporation.
- FORVIA made further progress in the execution of its second €1 billion asset disposal program by divesting its subsidiary Hug Engineering to the Belgian OGEPAR Group for an enterprise value of approximately €55 million.
- Faurecia Aptoide achieved a milestone by integrating TikTok, WebEx and Zoom into the cockpit experience of cars, including the Mercedes-Benz E-Class, following which FORVIA completed the acquisition of the remaining 50% shares from Aptoide in the joint venture.
- FORVIA was recognized for leadership in corporate transparency and performance on climate change by global environmental non-profit Carbon Disclosure Project (CDP), securing a place on its annual 'A List'.
- FORVIA, together with Chinese automaker BYD inaugurate their new seat assembly plant in Rayong, Thailand, built under Shenzhen Faurecia Automotive Parts Co, a joint venture created by both companies and majority-owned by FORVIA.

## Our Industry

### *Sources of Market Data and Other Information from Third Parties*

*The market and industry data and forecasts and statements regarding the FORVIA's position in the relevant market or market segment in this section are based on various market research and other publicly available information, as well as reports by independent industry sources. Certain statements below are based on the FORVIA's own proprietary information, insights, opinions or estimates, and not on any third-party or independent source; these statements contain words such as "believes," "expects," "considers" or "estimates," and as such do not purport to cite or summarize any third party or independent source and should not be read this way. IHS Markit volume figures are rounded to the nearest one million and accordingly, the sum of rounded numbers may not add up to the total number shown. The forward-looking statements in this section are subject to risks and uncertainties, as they relate to future events, and are based on estimates and assessments that may be inaccurate. In both IHS Markit and IEA analyses Europe excludes Russia.*

The market and industry data and forecasts and statements regarding the FORVIA's position in the relevant market or market segment in this section have been compiled from external sources including:

- S&P IHS Markit, *"LV and MVD Industry Forecast*", dated February, 2025 ("**IHS Markit**");
- Reuters, "*China vehicle export growth to slow in 2025,*" dated January 13, 2025 **("Reuters")**; and
- International Energy Agency, "*Global EV Outlook 2024,*" dated April, 2024 ("**IEA**")

### *Global automotive industry overview*

The global automotive industry designs, develops, manufactures, sells and services light vehicles ("**LV**") as well as medium and heavy duty trucks and buses ("**MHD**"). The LV segment consists of passenger cars, light commercial vehicles and light trucks - all weighing less than six tons, while MHD are vehicles with a weight of more than six tons. Given that FORVIA supplies parts to mostly LVs, the following market overview and data, based on IHS Markit data (unless otherwise stated), refers to LV market only.

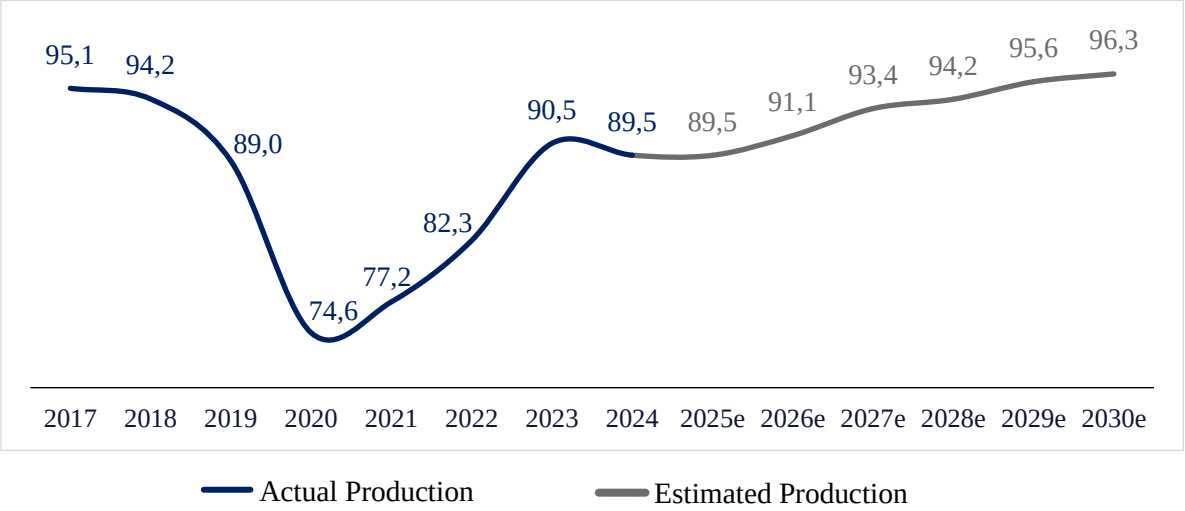
The automotive production value chain is broken down into OEMs, such as BMW, Ford, Mercedes-Benz, Stellantis and Volkswagen, and automotive part suppliers, such as FORVIA, Continental, Denso and others. The automotive parts supplier market can be further segmented into three different tiers. Tier 1 automotive suppliers sell their products directly to OEMs. Tier 2 suppliers sell products to Tier 1 suppliers, and in turn are supplied by Tier 3 suppliers. In general, suppliers develop components and systems on the basis of agreements with OEMs to meet their technological and regulatory requirements for specific automotive platforms and/or models. In this classification, FORVIA is considered as Tier 1 automotive part supplier.

In addition to sales to OEMs and as also applicable to FORVIA, some components are sold directly to the aftermarket, representing a smaller but typically more profitable and stable revenue stream for automotive suppliers. The term "aftermarket" refers to the market of spare parts that are used in the maintenance and repair of vehicles. The same products supplied to OEMs are generally also distributed in the aftermarket sector. Additionally, services are also a part of the aftermarket, such as technical support, customized training and service information.

***Global automotive market performance***

Despite ongoing market disruptions, the global automotive industry has continued to recover following the COVID-19 related decline in production with a CAGR of 4.3% from 2022-2024, with 89.5 million vehicles produced globally in 2024, according to IHS Markit, which expects that the total vehicles production will grow at a CAGR of approximately 1.2% between 2024 and 2030 to reach approximately 96.3 million units in 2030.

**Worldwide automotive production (in million units)**




*Source: IHS Markit*

Developed markets such as Europe and Americas, as well as Asia (ex. China) and China are expected to gradually grow throughout 2025-2030.

*Europe*

With 17.2 million vehicles produced, Europe accounted for 19.2% of total vehicles production in 2024. The region recorded an increase of 4.2% CAGR in the period between 2022 to 2024. European vehicle production from 2024 onwards is expected to slightly increase with a CAGR of approximately 0.5% between 2024 and 2030, staying at approximately 17.7 million vehicles in 2030 due to only moderately developing export to China, as well as vehicle imports from China, which have shown significant growth in the past.

*Americas*

With 18.4 million vehicles produced, Americas accounted for 20.6% of total vehicles production in 2024. The region recorded a significant increase of 3.7% CAGR in the period between 2022 to 2024. Americas vehicle production from 2024 onwards is expected to slightly increase with a CAGR of approximately 1.0% between 2024 and 2030, reaching approximately 19.6 million vehicles in 2030.

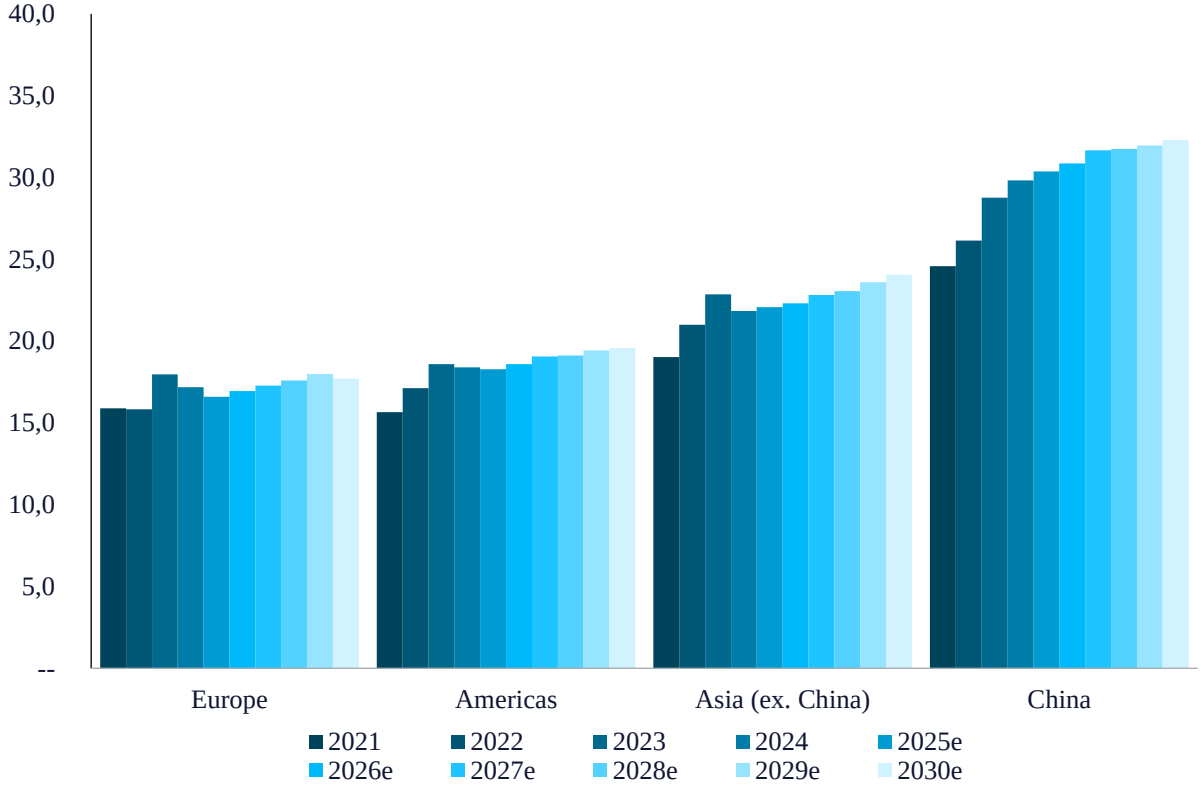
*Asia (ex. China)*

Asia-Pacific is the second largest automotive market behind China with 21.8 million vehicles manufactured in 2024, corresponding to 24.4% of global production. The region recorded a significant increase of 2.0% CAGR in the period between 2022 to 2024. The market is expected to increase with a CAGR of approximately 1.6% between 2024 and 2030, reaching production volumes of approximately 24.1 million vehicles in 2030.

*China*

China is the world's largest automotive market with 29.8 million vehicles manufactured in 2024, representing 33.3% of global production. The country recorded a meaningful increase of 6.8% CAGR in the period between 2022 to 2024. The market is expected to increase with a CAGR of approximately 1.3% between 2024 and 2030, reaching production volumes of approximately 32.3 million vehicles in 2030 maintaining the position as the largest vehicles market. According to Reuters, China vehicle exports are expected to grow to 6.2 million units this year, with a growing share of hybrid vehicles export.

**Regional automotive production (in million units)**

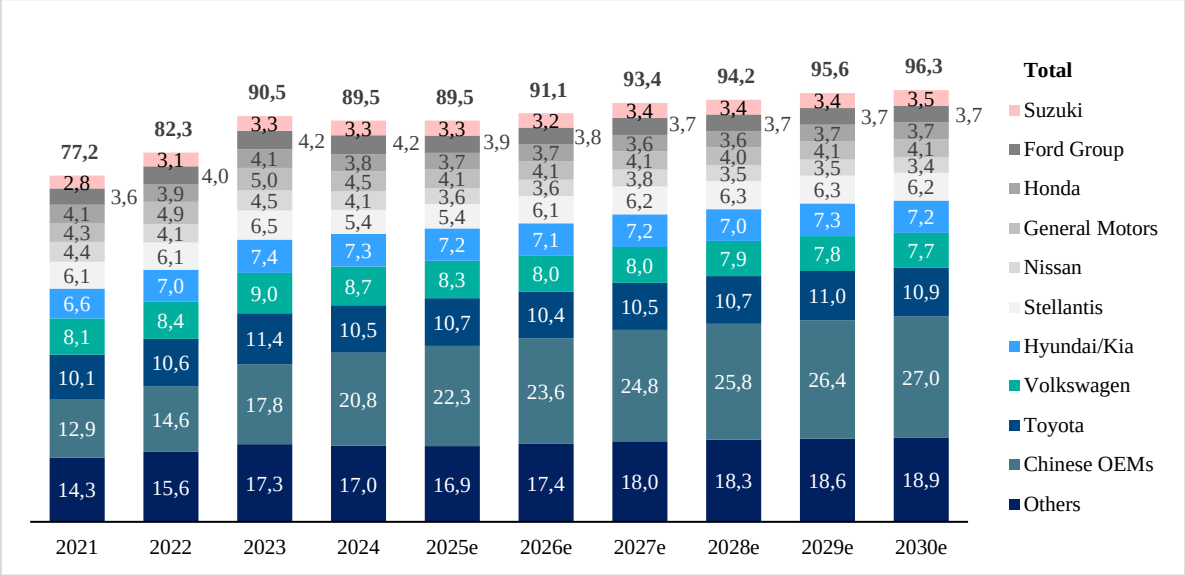



*Source: IHS Markit*

***Global automotive production volumes by OEMs***

The following chart sets out the historic and estimated future evolution of the global automotive production volumes and growth rates for the key OEMs measured by production volume (in million vehicles). Chinese OEMs are auto manufacturers originated and/or headquartered in China, e.g. Geely, BYD, SAIC Motor, Changan and others.

**Global automotive production by OEMs (in million units)**




*Source: IHS Markit*

***Electrification of automotive market***

Despite some short-term deceleration in BEV global demand growth due to lower consumer confidence and high interest rates, the shift towards electrification remains a key long-term trend for the automotive industry. BEV along with Plug-in Hybrid and Full Hybrid Electric Vehicles ("(**P)HEV**") and FCEV are considered key technologies to decarbonise road transport, as regulations and government incentives boost both offer and demand, and as society becomes increasingly concerned about climate change. The following analysis is based on IHS Markit, unless otherwise stated.

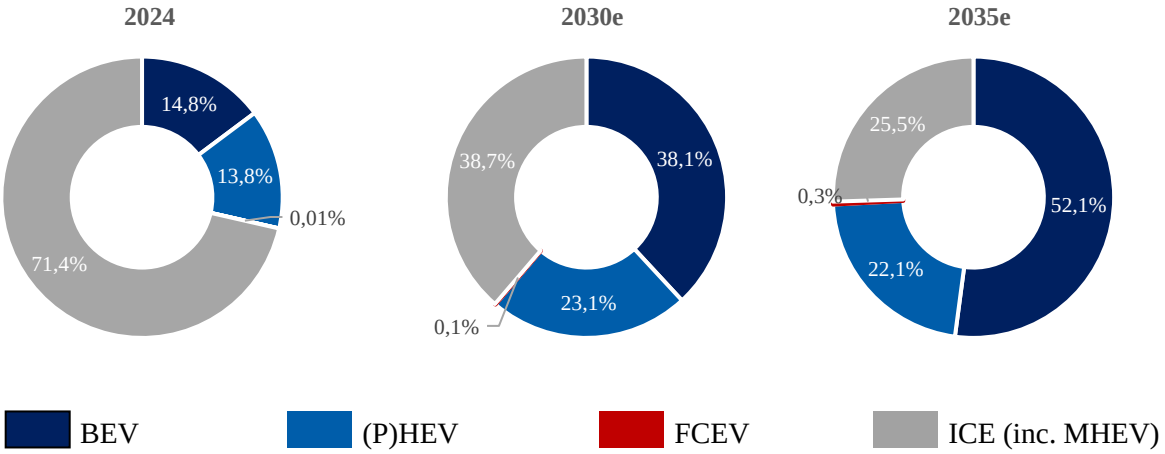
BEV sales recorded 13.2 million units in 2024, or 4.5 million higher than in 2022, a 23.3% 2022-24 CAGR. BEVs accounted for around 14.8% of all cars sold in 2024, up from 10.6% in 2022, and are expected to reach 38.1% by 2030 and 52.1% by 2035. These trends indicate that BEV sales growth remains robust as BEV markets and products mature.

(P)HEV sales recorded 12.3 million units in 2024, or 5.2 million higher than in 2022, a 32.1 % 2022-24 CAGR. (P)HEVs accounted for around 13.8 % of all cars sold in 2024, up from 8.6% in 2022, and are expected to reach 23.1% by 2030 and then decrease to 22.1% by 2035, with broader adoption of BEV as the key mobility electrification technology.

FCEV is a more niche technology, which uses a fuel cell, sometimes in combination with a small battery or supercapacitor, to power its onboard electric motor, and generates electricity generally using oxygen from the air and compressed hydrogen. FCEV currently has limited global roll-out with only 14 thousand units sold in 2024 and 340 thousand units expected to be sold in 2035, representing 0.3% of all cars sold.

Mild Hybrid Electric Vehicles ("**MHEV**") use an electric motor to assist the petrol or diesel combustion engine when accelerating to save fuel, so from operational and emission perspective are closer to Internal Combustion Engines ("**ICE**") cars.

**Global powertrain split (in % of total car sales)**




*Source: IHS Markit*

According to IEA, while sales of BEVs are increasing globally, they remain concentrated in a few major markets. In 2023, around 60% of new BEVs registrations were in China, around 25% in Europe, and around 10% in the United States – corresponding to nearly 95% of global BEV sales combined. In these countries, BEVs account for a large share of local car markets: more than one in three new car registrations in China was electric in 2023, over one in five in Europe, and one in ten in the United States. However, sales remain limited elsewhere, even in countries with developed car markets such as Japan and India.

Recent policy developments continue to reinforce expectations for swift electrification, such as new emissions standards adopted in Canada, the European Union and the United States over the past year. Industrial incentives – such as those in the US IRA, the EU Net Zero Industry Act, China's 14th Five-Year Plan, and India's PLI scheme – also encourage adding value and creating jobs across EV supply chains in those economies.

BEVs are getting cheaper as competition intensifies, particularly in China, but they remain more expensive than cars with ICE in other markets. A rapid transition to BEVs will require bringing to market more affordable models. In China, IEA estimates that more than 60% of BEV sold in 2023 were already cheaper than their average ICE equivalent. However, BEVs remain 10% to 50% more expensive than ICE equivalents in Europe and the United States, depending on the country and car segment. In 2023, two-thirds of available BEV models globally were large cars, pick-up trucks or sports utility vehicles, pushing up average prices. IEA expects that BEV vs. ICE price parity could be reached by 2030 in major BEV markets outside China for most models.

As a result of electrification, the technical composition of engines changes. Reduced complexity of BEV engines compared to combustion engines is expected to lead to lower Content per Vehicle ("**CPV**") in general. BEVs however come with an increased complexity around thermal management as well as the battery, which offsets the overall reduced complexity of the BEV engine, and drives CPV. FORVIA expects that BEV and FCEV offer material growth potential due to the product portfolio and system competencies for power conversion, energy management and thermal management, as well as position sensors with CIPOS technology for various applications with excellent resistance against magnetic fields.

***Global trends Affecting Transportation and Key Growth Drivers***

Significant global trends are impacting the automotive industry. Those global trends include: climate change, resource scarcity, growing and ageing populations, economic power shifting to Asia and urbanization. At the same time, technological developments continue to accelerate, transforming daily life and generating new business models. As a result of these technological developments, the evolving structure of society and global development challenges, we believe that the automotive industry is at a turning point. We believe that the consequence of these trends on the automotive industry is a radical increase in mobility which is becoming connected, autonomous and electrified.

We believe that FORVIA is well-positioned to address automotive megatrends through its diversified and balanced portfolio.

*Connectedness*

Vehicles with connected capabilities are becoming increasingly common. The trend for connected vehicles is driven by legislation for increasing safety, increasing customer expectations for infotainment and technological developments for autonomous cars. Connectivity will allow continuous monitoring of vehicles and passengers, the ability to upgrade software in vehicles and will provide passengers with access to a wide range of services, including for safety and on-board user experiences for comfort, well-being, productivity and entertainment. We believe that vehicles will become an integrated device in users' "connected lives" and consumers will demand the same level of service and convenience from their cars as from their smartphones or tablets. The introduction of mobile 5G will enhance connectivity through better quality network coverage and higher bandwidth.

*Autonomous*

Autonomous vehicles will provide drivers with the opportunity to engage in activities not previously possible while driving, such as relaxing, working and socializing. The level of autonomy in a vehicle is assessed from level 0 to level 5, where level 0 signifies no automation in a vehicle and level 5 is fully autonomous. Autonomous technology for level 3 and level 4 currently exists, however, we believe it is unlikely to see rapid deployment due to high cost and an undefined regulatory framework. We believe that robotaxis are likely to be the first mass application of autonomous vehicles with thousands of vehicles already on the road in pilot programs, while private cars are likely to remain focused on Advanced driver assistance systems, levels 1 and 2, for the foreseeable future. Accordingly, we expect the automotive industry will need to extend its value-proposition to deliver new user experiences. In this context, we expect vehicle interiors will undergo a significant development and the Cockpit of the Future will be connected, personalised and predictive. The recent acceleration of powertrain electrification is likely to result in a reduction in the level of investment available for autonomous driving, with automakers focusing on the incremental deployment of Level 2 and Level 3 driver assistance systems.

*Electrification*

The powertrain mix is rapidly evolving towards electrification, due to environmental concerns and pressure from regulators and society. As technologies mature and charging infrastructure is deployed, we believe that there will be a rapid increase in electric vehicles and that BEV and fuel cell electric vehicles will co-exist as zero emissions alternatives. We believe that fuel cells are particularly adapted to commercial vehicles as they have a longer range and a faster re-charging time. This trend towards zero emissions depends on a co-ordinated ecosystem that includes infrastructure and power supply providers.

***Market Competition***

We estimate that we are a world leading automotive supplier and one of the world's largest automotive suppliers in terms of worldwide sales, with leading positions in each of three of our six business groups (Clean Mobility, Seating and Interiors). We have benefited from the significant consolidation in our markets and have been able to acquire significant new technologies, markets and product lines.

**Seating:** We estimate that we are #1 worldwide in seat structure systems and #3 worldwide in complete seats; our main competitors in this market are Adient, Lear Corp and Magna International Inc.

**Interiors:** We estimate that we are #1 worldwide in interiors; our main competitors in this market are Yanfeng Automotive Interiors, Grupo Antolin, IAC (International Automotive Components) and Motherson.

**Clean Mobility:** We estimate that we are #1 worldwide in hydrogen and #1 worldwide in ultra-low emission mobility; our main competitors in this market are Tenneco, Eberspächer, Boysen and Magneti Marelli. The list above does not include "captive" Keiretsu / Chaebol competitors closely linked to carmakers, such as Toyota Boshoku, Sitech, Mobis, Sango, Futaba, Yutaka or Sejong.

**Electronics:** We estimate that we are #1 worldwide in low-voltage power electronics, #1 worldwide for car access body electronics, and Top 3 for portfolio of radars, sensors and actuators; our main competitors in this market are Bosch, Harman, Panasonic and Continental.

**Lighting:** We estimate that we are #3 worldwide in lighting; our main competitors in this market are Valeo, Marelli, Koito and Stanley.

Lifecycle Solutions: We are a leader in the European aftermarket and top 3 in Europe for special original equipment; our main competitors in this market are Marelli, Valeo, TYC, Cobo, Grote and ZKW.

***Reducing fuel consumption, an increasingly compelling requirement***

Since 2009, European Union legislation has set mandatory emission targets for new cars and, since 2011, for new vans. From 2021, phased in from 2020, the EU fleet-wide average emission target for new cars will be 95g $CO_2$/km, in contrast with the goal of 180g $CO_2$/km which was in force ten years ago. The next requirement will be a reduction from the 2021 baseline of 15% for both cars and vans to around 80g $CO_2$/km from 2025 onwards and then 37.5% for cars and 31% for vans from 2030 onwards. In China, the government has set a target of 95g $CO_2$/km for passenger vehicles by 2025, followed by 75g $CO_2$/km. These objectives will require breakthroughs in design and materials. We are already active in the various areas that help reduce vehicle weight by offering new products and new designs applicable to existing products, optimized design, and are working to develop alternative materials and new manufacturing processes. As a world leader in clean technologies, we are committed to offering innovative solutions in zero and ultra-low emission mobility and the reduction of emissions from all types of vehicles.

***Environmental performance***

Emissions of all combustion-related pollutants are subject to standards that are converging towards a drastic reduction. Reducing fuel consumption results in increased levels of pressure and higher temperatures in combustion chambers, which are damaging to the environment in terms of emissions of gas, pollutants and particulates. Direct fuel injection, increasingly widespread in gasoline engines, generates particulates that may require treatment in the exhaust system. We have been supplying particulate filters for gasoline engines since 2014, when we were the first company to introduce them as standard equipment in the market. The new Euro 6c emission standards have made it mandatory for all vehicles produced after September 1, 2018 with gasoline engines to have particulate filters installed, as has been the case for diesel engines since 2011.

We are able to develop exhaust systems integrating the most efficient pollutant and particulate treatment technologies as a result of our experience in all aspects of the design and production of exhaust systems. In 2018, we offered an innovative solution to an important General Motors program to save fuel and reduce $CO_2$ emissions. Called "Resonance Free Pipe™" (RFP™), this innovation reduces the weight and the architectural complexity of exhaust by eliminating resonance. In 2019, we received Automotive News magazine's 2019 PACE award for this innovation. In 2018, we further strengthened our technological offerings for clean mobility with our acquisition of Hug Engineering, a leader in whole systems for exhaust gas purification of extremely high-powered engines. In 2020, stringent regulations were implemented in all regions both for stationary and marine applications. In order to adapt to stricter emission regulations and to improve air quality, we developed "Electric Heated Catalyst" technology that will enable the emission control system in vehicles to reach its maximum efficiency at a faster pace.

As stringent emissions regulations continue to come into force around the world, and as the demand for electrified vehicles continues to grow, we have made hydrogen mobility a strategic priority. We are at the heart of a growing ecosystem of partners supporting the industrialization and adoption of hydrogen mobility at scale. We have a clear roadmap to develop hydrogen solutions for vehicles ranging from passenger cars to commercial vehicles, and aim to support different use cases, logistical constraints and industries over the coming decade. We also cover 75% of the hydrogen powertrain with hydrogen storage systems, as well as fuel cell stack systems through Symbio, our joint venture with Michelin. We are striving to become a world leader in hydrogen mobility and targeting €3.5 billion in sales by 2030.

In addition, we aim to work alongside leading OEMs to provide hydrogen mobility solutions to a variety of industries. Production of these hydrogen mobility solutions began in 2021 and are planned to continue for

Hyundai (X-Cient), Stellantis (vans Peugeot e-Expert, Citroen Jumpy, Opel e-vivaro), Hyvia (Renault), Gaussin and SAIC. By 2050, we aim to be $CO_2$ neutral for total emissions, taking into account emissions produced during the use phase of our products.

***Sustainable development and use of raw materials***

Materials are increasingly chosen and designed to satisfy regulatory constraints and societal expectations. Depending on the engine type and driving cycle, decreasing the average vehicle's total mass by 100kg reduces $CO_2$ emissions by approximately 8-10g per kilometer driven. Our products can represent up to 20% of a vehicles' total weight. This makes us a major contributor to the reduction of vehicle weight as a means of cutting fuel consumption, limiting emissions of greenhouse gases and reducing the use of raw materials in vehicle production.

From 2015, the European Commission imposed stricter requirements where the recyclability of synthetic materials such as plastics and, in the longer term, composite materials is one of the key features of the vehicle of the future. We offer bio-sourced natural fibers, including hemp and vegetable fibers, which make it possible to attain high performance in reducing environmental impact: the proportion of natural fibers in plastics is renewable and the sustainability of plastics as well as the lesser weight of products allow for responsible consumption and use of these materials. The environmental impact of this innovation was assessed according to ISO 14040 and ISO 14044 international standards. Natural hemp fibers used by us also reduce environmental impact as the natural fibers in plastics are renewable and the lesser weight of products allows for responsible consumption and use of these materials. Plastic materials strengthened with hemp are recognized as compatible with industrial recycling processes already in place.

We are currently developing the NFPP family, a new range of interiors components for compression technology. These materials enable up to 50% weight reduction and are expected to reduce $CO_2$ emissions by 50% as well. We believe this new product line will assist in accelerating development of bio-sourced and recyclable materials providing significant weight, energy and $CO_2$ emission reduction.

We are already making a contribution having patented three technologies utilizing biomaterials. Lignolight technology, using compressed fibers for between 50% and 90% of the resin, applied to door panels, improves density by 40% compared with traditional components. NAFILean™ technology (Natural Fiber Injection), which combines natural hemp fibers with polypropylene resin, reduces weight by 25% compared with talc-loaded polypropylene. To date, more than 17 vehicles are equipped with NAFILean™ technology. NAFILite™, a project we developed together with a major French agricultural cooperative, Interval, which combines NAFILean™ material and an injection (foaming process) can further reduce weight by 10%. NAFILite™ received a sustainability award at the JEC World 2017 Innovation Awards.

In order to grow and manufacture lighter and cleaner vehicles, we take environmental factors into account at all stages of the product life cycle, from product design to the environmental impact of our plants, from supplier collaboration to product end-of-life. We have gradually put in place a management system that allows us to be particularly responsive to new restrictions and to set up an alternative project if necessary. Our management system includes an investigation phase to collect reports from our suppliers, notably in the context of the new EU regulatory framework for the Registration, Evaluation, Authorization and Restriction of Chemicals ("**REACH**") regulation, and setting up an alternative project if necessary).

**Competition**

We estimate that we are a world-leading automotive supplier company. We estimate that we are one of the world's largest automotive suppliers in terms of worldwide sales with leading positions in each of three of our six business groups (Clean Mobility, Seating and Interiors). We have benefited from the significant consolidation in our markets and have been able to acquire significant new technologies, markets and product lines. Our main competitors for these specific business groups are:

*Seating*: Adient, Lear Corp and Magna International Inc.

*Interiors*: Yanfeng Automotive Interiors ("**YFAI**"), Grupo Antolin, IAC (International Automotive Components) and Motherson.

*Clean Mobility*: Tenneco, Eberspächer, Boysen and Magneti Marelli.

The list above does not include "captive" Keiretsu / Chaebol competitors closely linked to carmakers, such as Toyota Boshoku, Sitech, Mobis, Sango, Futaba, Yutaka or Sejong.

*Electronics*: Bosch, Harman, Panasonic and Continental.

*Lighting:* Valeo, Marelli, Koito, Stanley.

*Lifecycle Solutions:* Marelli, Valeo, TYC, Cobo, Grote, ZKW.

**Manufacturing**

With 249 industrial sites[2], 78 R&D centers and more than 15,000 R&D engineers across more than 40 countries, FORVIA can support automakers with on- the-ground services, especially in high-growth emerging markets. Focusing on innovation, project engineering and production, we play a leading role in shaping the automotive industry around the world.

Around two thirds of our plants producing components are specifically located near our customers' plants in order to streamline industrial and supply chain costs. Around a third of our sites use a just-in-time business model, meaning that rather than stock-piling raw materials and finished products, components are produced based on the specifications communicated by the customer on the day of production. Located near automakers' assembly lines or even set up within their actual industrial parks, these sites are capable of delivering to our customers' production lines in less than three hours. For this reason, much of our property, plant and equipment is specifically dedicated to particular client programs and utilization rates are dependent on the activity level of the customers.

Most of our property, plants and equipment is comprised of machinery, specific tooling and new plants in the process of construction, as well as land and buildings involved in our production processes. The level of automation in our manufacturing plants will depend on the local context and customers' needs; however, none of our plants are 100% automated and the skills of our employees is a key factor of our quality level. Across our sites, we deploy automated guided vehicles, data analysis, and 3D simulations to optimize operations. In 2023, more than 90 digital model plants were utilizing the latest digitalized tools and processes, and over 30 more are planned for 2024. Innovative approaches are tested in benchmark model plants before wider implementation. We are also exploring GenAI, with pilots launching in selected plants in 2024.

Worldwide automotive production stood at 89.5 million light vehicles in 2024 down 1.1% year on year. Between 2023 and 2024, the share of Europe excluding Russia out of worldwide automotive production decreased by one percentage point, while the share of China gained 1.5 percentage points. In 2024, the pace of electrification slowed in Europe and North America, with EV production down 7% in Europe (excluding Russia) and up 3% year-on-year in North America, while in China EV production continued to grow in the double-digits (+16% year-on-year).

**Suppliers**

We use a large number of suppliers based in different countries for our raw materials and basic parts. For the year ended December 31, 2024, we made total purchases (direct and indirect, excluding monoliths catalytic converters) of more than €20 billion from approximately 30,000 suppliers. Since 2017, we have been working with our partner, EcoVadis, to carry out an in-depth assessment of our suppliers focusing on their ethical, social, and environmental practices. As at December 31, 2024, 96% of direct purchasing volume was assessed for CSR performance by Eco Vadis.

**Quality**

We manage product quality from the new order acquisition phase to manufacturing in our plants. The Group quality control department is responsible for quality management at all stages of the process. It is present at all

2 Industrial sites include isolated plants and industrial campuses (two or more plants in a 0.5 km distance belonging to the same industrial campus), plants include production sites or Just-in-Time plants and exclude warehouses or distribution centers, and R&D centers include main and mid-size tech centers and headquarters.

levels of organization from the multidisciplinary team developing new programs or the production plant up to the Group's management structure.

In 2018, we initiated our Total Customer Satisfaction program. This program aims at getting a global picture of our customer satisfaction both in term of performance and perception of the overall value chain: from order taking to production start. Beyond those quality measures, customer feedback is now collected instantly and in a transparent way through a dedicated digital application. The FORVIA Excellence System ("**FES**") is defining how production and operations are being organized. It has been built to improve quality, cost, delivery and security on a continuous basis, based on a common framework for all plants around the world, guaranteeing the best possible operational performance. The FES, renamed "FES X.0," was updated in 2018 to make it more pragmatic and accessible to employees as well as to accelerate digitization. FES X.0 is being deployed during 2019 and will be an important contributor to our Total Customer Satisfaction program and our financial performance.

We have developed a Quick Response Continuous Improvement ("**QRCI**") approach to analyze the frequency of work-related accidents to measure the effectiveness of actions carried out in the relevant area. After each accident, a QRCI analysis is performed using a problem-solving method based on best practices in terms of solving quality problems to ensure that the primary causes of the accident are understood, that corrective actions have been effective and that preventative measures are implemented and shared across the various sites.

Our major customers acknowledge that we offer one of the highest levels of quality worldwide, as evidenced by numerous awards received from customers each year. Detailed monitoring of specific performance with each customer has been introduced in order to ensure that corrective measures are taken immediately to address any quality issues at a given plant. Reducing quality performance differentials between sites remains an overriding goal as demonstrated by our Plant Ranking initiative, launched in 2018, which is designed to promote comparative analysis between production sites.

**Research and Development**

Consumer expectations and societal changes are the two main drivers of change within the market. Regulatory change, which mirrors societal change, aims to reduce the impact of cars and commercial vehicles on the environment across all major automotive markets. The globalization of the automotive markets and swift change in consumption patterns and tools, particularly in the field of electronics, have prompted automakers to look for new solutions enabling them to offer diverse, customizable and financially attractive product ranges.

Gross R&D expenses accounted for €934.8 million of total expenses in the year ended December 31, 2024, representing 3.5% of our sales. We filed 1,392 new patents in 2024 compared to 1,283 in 2022.

We focus our innovation efforts on "Sustainable Mobility", our development of products and processes which reduce $CO_2$ emissions, improve air quality, weight reduction, size reduction, energy recovery and the development of bio-sourced and renewable materials and "Cockpit of the Future", our development of products and technology for vehicle seating and interiors which is aligned with the increasing connectedness and autonomy of vehicles which we believe will radically alter the driving experience and lead to the "Cockpit of the Future," with substantially redesigned and enhanced vehicle seating and interiors. We are pioneering technological development in the "Cockpit of the Future" which will provide users with versatile architecture, advanced safety, health and wellbeing, personalized comfort, connectivity, infotainment and intuitive HMI systems. We are focusing our product development on higher value, innovative products with a high technology content.

***Product process and design***

Product process and design are central to the activity of our engineering teams. We develop our own rules and design standards. This guarantees both a high level of robustness and a competitive advantage. We expect this process of standardization to help us reduce our existing level of capital expenditure by allowing us to manufacture different types of vehicles for several automakers, using the same production process and the same plants.

We commit a lot of efforts and incur significant expenses to improve our production processes, in particular in order to ensure that our productivity and production efficiency continues to increase. Our customers often require that we share with them our productivity gains by agreeing to some potential price reduction to reflect any improvement in productivity based on certain volume of production assumptions for each particular program. These approaches have allowed us to develop lighter products than our competitors.

The industrial chair of automotive mechatronics with Centrale Nantes (France) and of processing methods for metal materials with the Technische Universität Dortmund (TUD, Germany) are part of this process. Since 2012, we have made particular efforts to enhance our expertise in mechatronics, with the creation of an electronics laboratory in Brières (France) and an industrial chair of automotive mechatronics with CentraleSupélec (France).

***Intellectual Property***

Technological development and innovation are among our priorities. In order to protect our new and existing products, proprietary know-how and production processes, we manage a large intellectual property rights portfolio including patents, designs and trademarks relating to our business in France and other countries. In particular, we filed 1,392 new patent applications in 2024. Overall, we have more than 12,900 patents in our patent portfolio as of December 31, 2024. These patents relate to products, materials, and manufacturing processes, demonstrating the efforts made by us to optimize the entire product value chain and to sustain a competitive advantage.

While our patent portfolio and other intellectual property rights including trademarks and designs are of material importance to our business, we do not consider any one patent or group of patents that relates to any particular product or process as being of material importance in relation to the products we supply to any client or, for that matter, to our business as a whole. We are not currently engaged in any material intellectual property litigation, nor do we know of any material intellectual property claims outstanding.

**Recycling**

We incorporate recyclability in our eco-design approach by anticipating the end-of-life phase and optimizing production waste recovery. The European Directive 2000/53/EC of September 18, 2000 on end-of-life vehicles stipulates that vehicles must be 95% recoverable by weight, of which 85% must be actually reusable or recyclable, by January 1, 2015. Given the general increase of regulatory requirements from an environmental perspective, automakers are placing ever-greater demands on their suppliers in terms of end-of-life product recyclability.

All of our businesses are affected by these regulatory requirements and, depending on the characteristics of the component in question, have implemented plans and solutions to ensure that end-of-life products are processed as efficiently as possible in the future.

We are committed to a process of forecasting the life-cycle of a product and the recoverability of a product at the end of its life-cycle. Selective trials overseen by us comprise the first phase of a comprehensive approach by the automotive sector in partnership with industrial firms, academic institutions and automotive industry related, groups to forecast volumes of materials available for recycling in the future.

Interiors, after performing tests on the recycling and recovery of products, has begun similar operations after disassembling vehicles. Industrial-scale recyclability studies and tests have been undertaken with certain car-disassembling plants, both on existing products and materials being developed, including agro-composites. For example, the NAFCORECY (NAtural Fibre COmposites RECYcling) project was able to demonstrate, with the help of European companies specialized in recycling, that parts made of NAFILean (polypropylene with natural fibers) can be processed with post-disassembling technologies for vehicles or recycling technologies used for industrial waste.

**Insurance**

Our system for safeguarding assets is based on on-going adaptation of a strong risk prevention policy as well as our strategy of transferring our principal risks to the insurance market.

FORVIA has worldwide insurance programs effective in each country in accordance with local legislation and good local standards for an appropriate coverage throughout the world.

All Group legal entities and assets are insured by first-rate insurance companies for all major risks that could have a financial and/or a material impact. Below a focus on FORVIA's main risks insurance programs (non-exhaustive list):

- Property damage and business interruption covers insured events related risks such as fire, explosion, as well as natural disaster such as wind, floods and earthquakes. Property is insured on the basis of the replacement cost of buildings, equipment and inventories. Business interruption covers the basis of loss of gross margin loss of profits following an event insured under property damage coverage or specific extensions such as supplier deficiencies.
- Liability insurance covers financial consequences of the liability which may result from bodily injury, property damage, and financial loss caused to third parties including customers, as a result of our business/activities. This insurance program includes coverage for any damage caused by our products, including financial consequences of product recall campaigns.
- Cyber insurance covers financial consequences in the event of information system and personal data breach.
- Cargo insurance protects our businesses from financial losses resulting from the damage, loss or theft during goods and equipment transportation and associated business interruption following transportation incidents.

FORVIA's insurance programs are designed, though the insurance and re-insurance markets as well as auto-insurance mechanism such as a reinsurance captive to best protect the Group's exposures.

**Risk Management**

***Organization***

The Group's Executive Committee is responsible for examining the major operational risks inherent to the Group's business in cooperation with the Group's Operations Committee and Risk Committee.

The executive management of each business group is responsible for identifying and managing the operational risks inherent to its business, which are examined by their respective operations and risk committees. The operational and support functions direct and lead the actions, including risk management, necessary to achieve the Group's objectives.

Focusing on their specific fields, the Group's functional departments are responsible for complying and ensuring compliance with current regulations and standards, improving their processes and working with the other departments in order to improve cross-functional processes. They monitor the performance of the operating entities and provide coordination and support to the divisions and sites reporting to them. Each manager is responsible for assessing risks with regard to the processes for which he is responsible and is directly involved in their mitigation and the implementation of internal control measures.

***Management of risks faced by the Group***

As part of its risk management, the Group has put in place measures to address certain key risks, which are described below. See "*Risk Factors*" for more information on the risks that the Group faces.

*Information systems, data and embedded software*

The Group's strategic plan to prevent, detect and control information systems security risks primarily covers the following aspects:

- improving cybersecurity awareness across the Group through the implementation of threat awareness campaigns, including mandatory training for all employees, as well as regular phishing campaigns and on-site events;

- strengthening the Group's protection, detection and response capabilities with respect to cybersecurity incidents, through the implementation of software solutions using artificial intelligence and automation to protect the Group against such threats;
- reinforcing control and data access permissions for the Microsoft Office 365 software suite;
- reinforcing the Group's teams with cloud experts;
- implementing data loss prevention technology against the leakage of confidential information and personal data;
- the use of dedicated and secure information networks as part of the ongoing digitization of the Group's plants;
- the creation of a dedicated cybersecurity team to optimize the Issuer's cybersecurity when consolidating new companies or to facilitate the spin-off of certain non-strategic entities;
- strengthening network access controls; and
- regular tests and vulnerability checks on the system infrastructure.

Centralized management systems, such as SAP and Oracle Hyperion Financial Management (HFM), provide means to check the integrity and traceability of data as well as the separation of tasks for all entities and domains. They are subject to regular audits. Since 2020, new sites have been evaluated according to the TISAX standard in force in the automotive industry to certify the security of the Group's Information Systems. Since 2022, the Group has changed its cross-functional organization on the three lines of defense to better protect the systems in terms of cybersecurity.

With regard to embedded products, the Group has implemented standards as from the design stage in order to secure them:

- definition of a product cybersecurity process, in accordance with ISO/SAE 21434;
- implementation of a protection system for the management of the cryptographic keys (KMS) used by the Group's products;
- deployment of a Product Safety Incident Response Team (PSIRT) to monitor the vulnerabilities of the Group's products, including dedicated technologies;
- conducting an annual survey to assess the skills of employees dedicated to the Group's products and create a training plan adapted to each one (raising awareness and reducing possible gaps).

*Climate transition*

The Group has established a climate transition roadmap according to the SBTi net zero standard, validated in June 2022 by the Science-Based Targets initiative (SBTi) for the FORVIA scope and compatible with the reduction required to maintain global warming at 1.5°C. The Group's roadmap is in line with the Paris Agreement and the most ambitious of the thresholds proposed by the SBTi. See "—*Sustainable Development*".

*Automotive supplier business*

The Group aims to optimize the quality and diversity of its customer portfolio in order to reduce customer risk. In addition, the Group has set a goal of limiting its dependency rate per customer to 15% of its sales. In 2023, the Group did business with around 90 customers. In addition to historical Group customers (e.g. Stellantis, Renault-Nissan-Mitsubishi, Volkswagen and Ford), the Group is also working with new entrants in the mobility business as well as several local actors, for example in China.

The Group is also working to reduce its exposure to sales of internal combustion motor vehicles from around 17% in 2023 to about 10% in 2025.

The Group also relies on the diversification of its sales by region by vehicle brand and model. In addition, each business monitors the competition on an ongoing basis so that it can respond in the best possible way to calls to tender from automakers and, in particular, to their specific demands for the sale of complex equipment.

*External growth and the integration of acquisitions*.

The Group's external growth strategy is supported by a dedicated M&A team under the responsibility of the Group's CFO. Targets are identified as part of a selection process led by the Strategy departments with the help of specialized consulting firms. A set of documents comprising analyses of the market, competitors, business plans and risks is used as part of the decision-making process. Negotiations and determination of the valuation of the target are carried out by this same team. Major acquisition decisions are made by the Board of Directors in accordance with the provisions of the Board's internal rules.

The M&A team is also very closely involved in the life of the entities resulting from external growth transactions (joint ventures, acquisitions) and thus takes part in their decision-making bodies. A post-acquisition integration plan covering all aspects of the relevant entity (such as human resources, purchasing, sales, R&D and production) is systematically drawn up and monitored on a regular basis, including at the highest levels of the organization.

*New product launches and program management*

The Group's Program Management Core System has developed a series of steps for the entire duration of a program, from bid processing to the end of product life.

As part of the bid procedure, a risk assessment is completed in order to determine in advance, based on a list of 16 preset criteria, the nature and level of the risks that should be addressed during the program's development phase. A specific organization with managers and an action plan is followed for each critical program.

Program reviews are carried out monthly within each division and business to define and monitor action plans, including the plans to eliminate the execution risks that are identified during the acquisition phase. Programs deemed "high risk" are also subject to review by the Group's Executive Management. Each program is subject to a prospective financial analysis and is being monitored through key performance indicators updated monthly. There is a management alert system on top of those indicators which is used to report and correct any significant deviations as soon as possible.

For each program identified as critical, audits are carried out on the industrial sites affected by these launches before the mass production phase. The purpose of this measure is to better assess the maturity of the launch phase and ensure a good ramp-up for the customer concerned.

*Product quality and safety*

The Group manages product quality and safety risks from the new order acquisition phase to manufacturing in its plants. The Group's Quality Department ensures proper management at all stages of the process. It is present in all levels of the organization, from the multidisciplinary team developing new programs or production plants up to the Group's management structure.

In 2018, the Group initiated its Total Customer Satisfaction program, which takes into account both Group performance and the perception its customers have of the Group. This program aims to obtain a global picture of customer satisfaction, both in terms of performance and perception, across the entire value chain from order-taking to the start of production.

The FORVIA Excellence System (FES) defines how production and operations are organized. It has been built to improve quality, cost, delivery and safety on a continuous basis. It helps to guarantee the operational performance of the Group's production plants around the world, thanks to common working methods and a shared language.

Following feedback from our customers, we are focused on improving our program launches, using the principles of our FES. In addition to quality indicators, customer satisfaction and their comments are monitored

and processed, which makes it possible to monitor the speed and effectiveness of the improvement actions to be implemented by the Group.

In 2023, the Group transformed its operational excellence system by integrating the best practices of Faurecia and HELLA. In particular, two areas for improvement were taken into account: a focus on compliance and adherence to standards, as well as anticipation of preventive measures through the strengthening of problem-solving methods.

As part of this approach, the Group recently acquired a database in order to centralize all documents and construct an integrated system of audits, and to work on operational vulnerabilities.

For major problems, a management alert system is used. The Group's management continuously deploys a structured problem-solving culture (contact within 24 hours, identification of the main causes, etc.). This system evolved in 2023 to include all sources of vulnerabilities in the risk management program.

Finally, the Group's industrial management includes a team of auditors that is independent of the operational organization of the businesses, and which conducts reviews on both production plants and R&D centers. They use a precise and rigorous questionnaire to assess the application and maturity of enforcement of the Faurecia Excellence System. Each site is classified according to four levels: poor, satisfactory, excellent, benchmark. If a site is rated poor, it is required to prepare a corrective action plan which is presented directly to the Group's Chief Executive Officer with a view to reaching a satisfactory level within a maximum of three months.

*Pandemics*

The management of the Covid-19 crisis has led the Group to adopt various measures:

- the Group is able to ensure that its production activities take place in a secure environment, including in the event that a variant of the Covid-19 virus or any other similar virus propagates. Thus, the "Safer Together" program could be reactivated, improved and redeployed across all of the Group's sites, as necessary. This program would be regularly audited to ensure that it is implemented and is appropriate to the health situation at hand;
- the Group has a crisis management process in order to improve the upstream phases of preparation and the downstream phases of feedback and continuous improvement;
- the Group maintains a worldwide health situation monitoring, and has developed a health risk classification system, in order to be able to take the necessary decisions quickly, while following the rules to be respected on the sites, in the work environment (or in case of remote working needs for example) or business travel; and
- the Group is able to implement drastic cash management measures as well as strict control of costs and investments during the resulting period of slower activity.

*Loss of a site due to industrial or natural events*

The Group has drawn up an industrial risk prevention policy, aimed at limiting potential losses from fire or natural disasters, in partnership with its insurer. The Group's industrial risk prevention policy is based on the following:

- internal guidelines (the Highly Protected Risk (HPR) grid) developed with the Group's insurers, based on 24 items which rank both the prevention management system (human resources) and the protection systems put in place (technical measures), two new items were integrated in 2023: the threat related to solar panels and the assessment of the physical risk related to climate change;
- the upstream integration of fire safety and natural disasters into industrial projects, new plants, or any significant redevelopment of existing sites. For example, an analysis of the natural disaster exposure profile forms an integral part of the decision-making matrix when selecting a new site;

- a schedule of periodic audits carried out by Group's insurer following the HPR grid. More than 100 prevention audits are completed each year, together with specific flood, wind, weight of snow or earthquake risk audits for the most exposed sites;
- key performance indicators which are monitored every six months by the Group Risk Committee. Sites are ranked according to fire prevention/protection performance and on the basis of their exposure to natural disasters. High-risk sites are monitored closely by Industrial Management within the relevant business;
- recording and systematic analysis of fires or outbreaks of fire or losses linked to a natural event. The results of this analysis is shared with the plants' HSE network;
- the existence of a single database to manage all audit reports, action plans for improvements, the audit program as well as the status and key dates of projects;
- the assessment of the exposure of industrial sites to natural risks by 2030 and 2050 according to the IPCC scenarios, in order to anticipate the impact of climate change on our industrial footprint through an adaptation plan; and
- a 24/7-monitoring system in relation to hydrometeorological phenomena anywhere within the industrial park. This support service enables warnings of coming events to be sent to the sites' management teams via e-mail or SMS alerts in real time. Depending on the alert level, a series of reactions is defined in action sheets so that appropriate measures are taken to prepare for the event, keep employees safe and ensure the site's resilience. Since 2022, two new types of alerts have been introduced: "heat wave alert" and "cold wave alert," the latter being related to the risks of stress on the energy network, mainly in Europe. HELLA also benefits an access to those tools.

*Supply chain disruptions and supplier failures*

The Group's Purchasing department closely monitors the quality and reliability of suppliers' production operations as well as their credit status and sustainability in order to ensure that the Group's supply chain is secure through the following measures:

- the operational and financial performance of the Group's suppliers is continuously monitored to ensure that any restructuring and security measures that may prove necessary to ensure the quality, quantity and cost of supplies are carried out successfully;
- in the context of the Covid-19 pandemic, the risk management process was supplemented with additional elements of resilience, such as the implementation of a process for projecting the financial health of Group's suppliers (a "stress test"). The measure consists of anticipating, to the extent possible, court-ordered liquidations and bankruptcies of certain Group suppliers, which could lead to interruptions to business; and
- geopolitical, environmental, social, ethical, economic, health and financial risks, and specific factors such as management of fire risk, the cybersecurity risk or the level of dependence in terms of sales allocated to a supplier, are subject to strict supervision.

This risk review is carried out as early as the supplier selection process and is subject to regular reassessment. It may lead to a refusal to include the supplier in the Group panel or to an end of the relationship with the supplier in the event of high risk.

The Group also has a supplier risk analysis tool, which enables it to better anticipate all natural, geopolitical and solvency risks on a single platform.

The Group's purchasing teams regularly organize reviews of supplier risk at the global level, by activity and by division. They also work with suppliers to define action plans to reduce the risks identified in each of them. They thus help suppliers to develop and reduce their industrial and financial risks, in particular through operational support to improve their performance in terms of production, quality, logistics and cost control. They also support suppliers in their international expansion. A specific coordination by product family has been

implemented to strengthen the supplier panel and actions. Since 2023, the general purchasing conditions by country have been harmonized for the Group and rolled out in 2023 by the purchasing teams with the support of the Legal Department.

*Safety at the workplace*

Safety at work is one of the key elements of the excellence initiative embodied by the FORVIA Excellence System (FES). The Group's policy on health and safety at work at the day-to-day level centers around two main goals: safeguarding staff health and improving their safety at work.

The Group has a dedicated Health, Safety and Environment department which is present at all levels of the organization.

The change in the frequency rate of work-related accidents is analyzed in order to measure the effectiveness of actions carried out in this area. After each accident, a "Quick Response Continuous Improvement" (QRCI) analysis is performed using a problem-solving method based on best practices in terms of solving quality problems to ensure that the primary causes of the accident are understood, that corrective actions have been effective and that preventative measures are implemented and shared across the various sites.

Since 2018, the Group has structured its approach to prevention around Seven Fundamental Safety Principles for all employees, and in particular operators and the employees of external contractors.

In 2023, the Group further strengthened the measures implemented to prevent accidents and transformed the "Seven Fundamental Safety Principles" into "Seven Mandatory Safety Rules" to strengthen the obligation aspect for all.

Most occupational illnesses reported by Group employees involve musculoskeletal injuries. To reduce this, the Group has taken steps for several years to take into consideration the strain caused by workstations and to remedy the situation as far as possible. Ergonomic analysis of workstations is part of the FES tools. This subject is systematically included in the design of products and production tools. It is checked during production plant audits. These reviews, the effectiveness of which was significantly improved by the use of digital technology augmented by artificial intelligence, assists the implementation of solutions to improve manufacturing workstations.

*Environmental impact of sites*

In 2023, the Group updated its environmental policy under which it commits to reducing the environmental impact of its facilities. Environmental risk analysis and control are based on ISO 14001. The Environment Committee, which holds monthly meetings and is chaired by the Group Environmental Impact department and includes managers from each business group, implements and manages the Group's environmental policy.

Each business group has appointed an HSE Officer, who is assisted by (i) a network of HSE managers at the division level (mainly regional) and (ii) HSE coordinators at each FORVIA site. They bring their expertise to plant management. They are also responsible for applying procedures and ensuring compliance with regulations and FORVIA standards.

Moreover, the Group has transferred a portion of the risk to the insurance market in order to hedge against damage that may result from environmental pollution.

*Talent acquisition and retention*

The Group defines and deploys several policies and actions related to recruitment, development and compensation to ensure it recruits and retains talent. These actions are adapted according to the country of operation.

In 2023, the Group continued to focus on recruiting recent graduates and early-career skilled professionals in order to ensure that the Group recruits and retains the talents of the future. Throughout this process, the Group has established preferential partnerships with more than 100 schools, post-secondary institutions and universities in the many countries where the Group operates. The Group uses the international volunteering in

business (IVB) program as a key to achieving its recruitment goals among recent graduates. The number of IVB participants recruited by the Group has been continuously increasing for the past several years.

Since 2022, the Group has launched an artificial intelligence-powered solution to facilitate recruitment and has deployed a specific digital app for new hires to discover the Group, its values, strategy and organization and improve integration. All new hires benefit from a personal induction program enabling them to find out more about the Issuer and its values, strategy and organization.

To prepare the managers of tomorrow, talent identification starts as early as possible in the Group. After a period during which employees successfully demonstrate their talents, the Group offers employees diverse career paths to help them continue to realize their full potential. These paths include cross-functional/inter-divisional mobility, which makes it possible to develop new skills in a variety of contexts. The plan aims to help employees step out of their comfort zone and provide them with general management skills. Experts are also recognized according to a specific process.

The Group offers a large catalog of training courses. In 2023, the FORVIA University trained more than 13,000 employees, and in 2022, its online training (Learning Lab) exceeded its first million hours of delivered training since it was initially set-up in 2016. In 2023 the Learning Lab recorded more than 400,000 hours of trainings.

The Group's compensation policy is subject to an annual review by specialized firms in order to ensure competitiveness with the local market. Compensation depends on several elements related not only to individual performance, but also team performance. The variable portion of compensation rises increasingly with the level of responsibility exercised. These various subjects are monitored through dedicated key performance indicators (KPIs).

In 2023, FORVIA was awarded the LinkedIn Top Companies label (France, Portugal - LinkedIn), Top Employer (India – Top Employer Institute), the Happy Trainees label (Group - ChooseMyCompany) as well as the "Digital HR" award (Group – LOSAM) and "Connected HRD" (Group – Human Capital Victory) for the deployment of our artificial intelligence solution for recruitment. Faurecia is ranked as "most attractive company" by engineering students (France, Universum), is among the Top 100 employers for undergraduate students in the United Kingdom (RateMyPlacement) and finally appears in the "Top 1% Best Employers" in the Leading Employers Institute ranking.

*Regulatory developments & geopolitical tensions*

The Group relies on the expertise of its Legal, Tax and Finance departments, which consistently monitor legislation and regulations in France and abroad via local intermediaries (employees, networks of lawyers, tax specialists, etc.). The Communications, Public Affairs and Sustainability department integrates a monitoring unit that analyzes regulatory aspects in terms of sustainability and has a direct link to the activities. It can anticipate changes that might affect the design of the Group's products. Regular reviews are carried out regarding changes which may have a significant impact on the Group's business, and specific measures are taken to hedge the associated risks.

The Group assesses the risk of the countries in which it operates. To do this, it relies on the tool of an external service provider, which produces a risk mapping by country, classified according to a three-color code representing the level of external risk. The method is based on several criteria that are fundamental to the automotive supplier business.

*Significant litigation*

Provisions have been set aside to cover litigation facing the Group in accordance with the facts and information available at the balance sheet date. See note 25.2 to the 2024 Consolidated Financial Statements. See also "— *Litigation*" below.

Litigation is tracked quarterly at the Group level and monthly at the business level through reporting prepared by the Legal department. Preventative measures, in particular via the provision of training to core teams, negotiation of contractual terms and proactive identification of potential legal risks are implemented on a continuous basis.

*A responsible supply chain*

The Group's Purchasing department has established a policy of sustainable buying, called "Buy Beyond," which reflects the Group's commitment to comply with the requirements of French Law no. 2017-399 of March 27, 2017, related to the duty of care with respect to contracting companies. This policy consists, in particular, in systematically reviewing suppliers that are part of the Group production process prior to their selection. This analysis is conducted through a partner of the Group, EcoVadis, and addresses the following areas:

- Ethics: assessment of the organization's ability to implement tangible actions to ensure data protection, fight corruption, fraud, anti-competitive practices, money laundering and avoid conflicts of interest;
- Labor and human rights: assessment of the organization's level of maturity in terms of the actions on employee health and safety, working conditions, social relations, forced labor and child labor, discrimination and respect for fundamental rights; and
- Environment and sustainable purchasing: assessment of the formalized policy, verification mechanisms and certification obtained.

Since 2019, the assessment of suppliers is carried out in a dedicated solution that requires a minimum score. Moreover, supplier quality audits, which are a prerequisite to joining the Group's panel of suppliers, also include CSR requirements.

In the event of non-compliance, the Group may conduct enhanced due diligence and request additional certifications to ensure compliance with international standards and a responsible supply chain.

The Group is committed to building close, long-term relationships with its suppliers, based on mutual growth and benefit. Thus, suppliers are asked to comply with the responsible purchasing policy, through the application, in their own organizations and their global supply chains, of the Code of Conduct for suppliers and subcontractors and which, in addition, is systematically integrated in the mandatory consultation documents sent to suppliers.

Lastly, the Group has an external whistle-blowing system that makes it possible to report any breaches related to human rights and fundamental freedoms, or to individual health and safety as well as the environment.

*Intellectual property*

In order to support and accompany its innovation policy and reinforce the protection of its rights, the Group has a centralized organization that handles all technical and legal issues relating to intellectual property. Bi-monthly committee meetings organized for each business allow strategic decisions to be made to protect transactions with all stakeholders. Twice a year, Intellectual Property Management Committees define the strategies for the businesses and their application, as well as the resources necessary.

The Group files patents and designs for technologies, products, and processes in many countries. The Group also protects its name and certain product ranges via trademark law. For example, the FORVIA, Faurecia and HELLA trademarks are protected in all countries of interest to the Group and this protection is monitored.

The Group has a large and solid portfolio of intellectual property rights. It is supported by in-house teams of experts and specialists and a global network of advisers, who conduct searches of existing patents and technology watches and monitor the competition, as well as analyses of third-party rights regarding ongoing projects.

The Group undertakes actions to prevent, terminate and penalize infringements of its intellectual property rights. For instance, the Group may act against third parties that use its patents, know-how, designs and models or trademarks without its authorization, or it may file challenges or actions for invalidation against third-party patents whose issue the Group does not deem justified.

*Business ethics*

The Group's ethical commitments are formalized and detailed in the Code of Ethics, which establishes the essential rules of conduct and ethics applicable to employees (including temporary workers, sub-contractors,

etc.), partners, suppliers, civil companies, NGOs, civil society organizations and local communities. This Code of Ethics is given to each new employee, is available in a range of languages and may also be accessed on the Group's website and intranet. All Group employees are responsible for complying with the Code of Ethics and, if applicable, ensuring that it is circulated and complied with. The Group also has a Code of Conduct for the prevention of corruption. It contains internal rules that are widely distributed to employees. These rules cover in particular the following subjects: gift and hospitality policy; donations and sponsorship; conflict of interest management (via an electronic tool).

Since 2015, the Group has a Compliance department. This is under the responsibility of the Chief Compliance Officer, who reports to the Group General Counsel and Secretary to the Board of Directors. The Compliance department relies on regional compliance officers for the Americas (United States, Canada, Mexico, Brazil and Argentina), Asia and the EMEA region (Europe, Middle East and Africa). It also relies on a network of Compliance Leaders who serve as contacts in each operational division of the businesses.

**Material Contracts**

We are not party to any major contracts conferring a major obligation or commitment on the Group, other than (i) those entered into in the normal course of business and (ii) those relating to the Group's financing (see "*Description of Other Indebtedness*").

**Employees**

As at December 31, 2024, we employed approximately 150,000 people (including temporary workers). Our total number of permanent workforce decreased by approximately 2,213, or 1.9%, between December 31, 2023 and December 31, 2024.

The following table shows our number of registered employees by function as of December 31 of the year indicated below:

| | 2024 | 2023 | % Change |
|---|---|---|---|
| Operators | 70,674 | 72,296 | -2.2% |
| Employees, technicians, and supervisors | 12,185 | 13,159 | -8.0% |
| Managers and professionals | 38,993 | 40,209 | -2.9% |
| **Total** | 121,852 | 125,630 | -3.0% |

The proportion of permanent workforce (as opposed to non-permanent workforce) slightly increased from 92.6% in 2023 to approximately 93.7% in 2024.

In addition to our 121,852 permanent employees, we employed approximately 27,839 temporary employees throughout all of our sites as of December 31, 2024. The proportion of temporary staff remained stable at approximately 18.6% in 2024 and 18.1% in 2023.

Our employees benefit from employee saving plans and other incentive-based pay depending on their level and the country in which they work. In 2010 we implemented a share grant plan for executives of our Group companies, with grants thereunder conditioned on continued service and performance. In 2021, we implemented a long-term share grant plan (an Executive Super Performance Initiative or "**ESPI**") for the members of our Group's Executive Committee, with grants thereunder vesting in five years, without a subsequent minimum retention period, capped at 300% of the annual fixed compensation and conditioned on continued service and performance. Executive performance for the purposes of the ESPI is measured based on Total Shareholder Return ("**TSR**") for our Group compared to a peer group.

**Litigation**

We are party to various legal proceedings and commercial or contractual disputes in the regular course of our business.

In a letter dated August 2021, the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") asked HELLA for information and the submission of documents regarding a potentially delayed capital market information under the Market Abuse Regulation (EU) No.

596/2014 ("**MAR**"); the request was issued in connection with the public takeover process concerning HELLA in 2021. HELLA is of the opinion that it acted in accordance with all legal requirements and responded accordingly to this letter and another letter from BaFin on suspected administrative offenses. In May 2024, HELLA was informed that the public prosecutor's office in Frankfurt am Main had taken over the administrative fine proceedings in connection with to the prosecution of a possible criminal offense concerning HELLA but not responsible persons or employees of HELLA. Based on legal advice, the Issuer is still of the opinion that there was no violation of MAR that would give rise to a fine. HELLA will continue to cooperate with authorities to confirm its position in this matter.

Although our legal and financial liabilities with respect to such proceedings cannot be estimated with certainty, we do not believe that the outcome of other legal proceedings, individually or in the aggregate, are likely to have a material impact on the Group's consolidated financial position. See "*Risk factors—Risks related to Our Operations—We face litigation risks, including product liability, warranty and recall risk*".

## MANAGEMENT

We are a public limited liability company (*société européenne*) with a Board of Directors. The business address of our Board of Directors is 23-27 Avenue des Champs Pierreux, 92000 Nanterre, France.

Our Board of Directors determines our overall business, financial and economic strategies and oversees their implementation. Subject to the powers expressly granted to shareholders meetings and subject to our by-laws, the Board of Directors handles all our matters. The Board of Directors is consulted with respect to all of our strategic decisions at the initiative of our Chairman.

Our day-to-day activities are overseen by an Executive Committee. Our Executive Committee meets once a month to review the principal questions relating to our general organization. The Executive Committee discusses and prepares guidelines on major operations-related issues concerning us and our subsidiaries, which are then implemented by each of the Executive Committee's members in line with their functions.

### Board of Directors

According to our Articles of Association, our Board of Directors must be composed of at least three members and no more than fifteen (excluding board members representing employees). The term of office has been four years since the Annual General Meeting of May 27, 2015. The Board of Directors currently consists of fourteen members, out of which two represent the employees and ten of which are independent.

#### *Members of the Board of Directors*

The Board of Directors currently consists of fourteen members, ten of whom are independent directors under French corporate governance guidelines issued by the *Association Française des Entreprises Privées / Mouvement des Entreprises de France* (the "**Corporate Governance Code**"): Michel de Rosen (Chairman), Dr. Michael Bolle, Christel Bories, Judith Curran, Esther Gaide, Penelope Herscher, Valérie Landon, Jean-Bernard Lévy, Denis Mercier and Nicolas Peter.

Michel de Rosen has been our Chairman since May 30, 2017 and Martin Fischer was appointed Chief Executive Officer by the Board of Directors on December 2, 2024, for an indefinite term to replace Patrick Koller with effect from March 1, 2025.

| Name | Position | Initially Appointed | Date of Reappointment |
|---|---|---|---|
| Mr. Michel de Rosen | Chairman | May 27, 2016 | May 30, 2024 |
| Mr. Patrick Koller | Director | May 30, 2017 | May 31, 2021 |
| Ms. Penelope Herscher | Director | May 30, 2017 | May 31, 2021 |
| Ms. Valérie Landon | Director | October 12, 2017 | May 31, 2021 |
| Mr. Jean-Bernard Lévy | Director | February 19, 2021 | May 30, 2024 |
| Mr. Denis Mercier | Director | May 28, 2019 | May 30, 2023 |
| Ms. Esther Gaide | Director | May 30, 2023 | — |
| Dr. Michael Bolle | Director | May 30, 2023 | — |
| Peugeot 1810, represented by Mr. Robert Peugeot | Director | May 31, 2021 | — |
| Mr. Daniel Bernardino, representing employees | Director | November 1, 2017 | November 1, 2021 |
| Mr. Emmanuel Pioche, representing employees | Director | November 1, 2017 | November 1, 2021 |
| Ms. Judith Curran | Director | February 18, 2022 | May 30, 2024 |
| Mr. Nicolas Peter | Director | October 19, 2023 | — |
| Ms. Christel Bories | Director | May 30, 2024 | — |

The members of the Board of Directors bring together a range of quality managerial, industrial and financial skills. Our directors come from a broad spectrum of professional backgrounds, including not only the automotive industry but also various other business sectors. They enhance the work and discussions of the Board of Directors and its committees through their diverse capabilities and the expert input they can give both from an international perspective as well as in terms of their specific experience in finance, manufacturing and management. They act in the best interests of all shareholders and are fully involved in defining our corporate strategy so that they can actively contribute to and support the decisions of the Board of Directors.

We have two employee-elected directors and no observer. Each member of the Board of Directors must hold at least 500 shares in our company throughout his or her term of office. However, Board members who do not receive compensation from the Issuer for his/her duties, shall only hold 20 shares provided for in the by-laws and Board members representing the employees have no obligation to hold a minimum number of shares. There are no family relationships between members of the Board of Directors or corporate officers.

***Responsibilities of the Board of Directors***

The rules of procedure of the Board of Directors detail the mission of the Board of Directors and its committees. Such rules describe the Board's *modus operandi* (including provision of information to its members) and its role in our management and our compliance with the law and our Articles of Association.

They specify the rights and responsibilities of members of our Board of Directors, particularly regarding the prevention of conflicts of interest, the holding of multiple offices, and the need for strict confidentiality in deliberations as well as diligence in taking part in the work of the Board of Directors. They also mention the rules governing transactions in our shares, which are detailed in the Code of Good Conduct with respect to the management of inside information and to securities transactions.

The Board of Directors is free to decide how to exercise their oversight. This can be performed, under its responsibility, either by the Chairman of the Board of Directors himself or by another person appointed by the Board of Directors and bearing the title of Chief Executive Officer.

Since July 1, 2016, the positions of our Chairman and Chief Executive Officer have been separate.

***Permanent Committees of the Board of Directors***

*The Audit Committee*

The Audit Committee has the primary role of reviewing the approval process for the corporate and consolidated financial statements as well as the process of preparing financial information. It ensures the relations with the statutory auditors of which it handles the selection process and checks the independence and follows internal control and risks management processes. It also reviews the budget, its execution and, more generally, the Group's financial situation.

The Audit Committee consists of five members with financial or accounting experience and expertise (including four independent directors): Judy Curran, Esther Gaide (Chairwoman), Valérie Landon, Nicolas Peter and Emmanuel Pioche (employee representative).

*Governance, Nominations and Sustainability Committee*

The Governance, Nominations and Sustainability Committee (formerly, Governance and Nominations Committee) is tasked with the role of dealing with issues relating to the composition and operation of the Board of Directors and its Committees. More generally, the Committee assesses the Issuer's governance structure and, in this context, the exercise conditions of the Issuer's management and, where appropriate, makes recommendations in this regard. It also makes any necessary opinion in relation to the Board's Committees. Moreover, the Committee handles the selection and succession process for the Chair of the Board, the members of the general management and the Board members. It conducts the governance's assessment process (assessment of Board and Committees' work, examination of Board members' independence) and it annually reviews the selection and succession plans of the members of the Executive Committee. The Committee is also in charge of assessing the policy followed by the Issuer in ethics and compliance as regards good governance practice and reviewing social and environmental responsibility matters.

The Governance, Nominations and Sustainability Committee consists of four members (including three independent directors): Michel de Rosen, Penelope Herscher, Jean-Bernard Lévy (Chairman) and Robert Peugeot (permanent representative of Peugeot 1810, Board member).

*Compensation Committee*

The Compensation Committee is tasked with the role of dealing with issues relating to the compensation of the Chair of the Board, members of the general management and Board members. More generally, the Committee

deals with issues associated with long term incentive plans policy. It is also informed of the performance and the compensation of the Executive Committee and also reviews the evolution of the compensation policy applicable to the Group main managers (Executive Committee, Group Leadership Committee).

The Compensation Committee consists of four members (including three independent directors): Denis Mercier (Chairman), Daniel Bernardino (employees representative), Michael Bolle and Christel Bories.

***Conflicts of Interest***

As provided for in the Board of Directors' internal regulations, each director must disclose to the Board any conflicts of interest (including any potential conflicts of interest) relating to issues on the agendas of Board meetings, and must refrain from taking part in the vote on the matters in question and must not attend Board meetings during the period of conflict of interests. The Issuer monitors carefully any situation likely to give rise to a potential conflict of interest. Each year, the Issuer notably provides its Board members with a detailed questionnaire allowing them to obtain the information required and thus make the necessary declarations.

An *ad hoc* committee can be put in place by the Board of Directors to deal with certain specific topics. In accordance with best governance practice, an *ad hoc* committee was notably established by the Board of Directors in the context of the distribution of the Issuer's shares by Stellantis to its shareholders. In 2022, on the proposal of the Governance, Nominations and Sustainability Committee, the Board of Directors decided to set up an *ad hoc* (temporary) Committee in charge of the succession plan for the Chairman of the Board of Directors.

The Board of Directors strengthened its rules relating to conflicts of interest by adopting a procedure regarding the use of inside information. This procedure provides that no transactions may be carried out involving our shares until the related information has been made public. Directors and certain categories of personnel, who are all included in a regularly updated list, must disclose any trades they carry out in our shares to the Issuer which then informs the market.

**Executive Committee**

Under the responsibility of the Chief Executive Officer ("**CEO**"), our Executive Committee is comprised of the CEO and fifteen Executive Vice-Presidents of the Group's international business groups and support functions. Our executive management meets every month to review our results and consider general matters concerning our Group. Its members are as follows:

| Name | Position | Joined the Issuer |
|---|---|---|
| Mr. Martin Fischer | Chief Executive Officer | 2024 |
| Mr. Shoji Akiyama | Executive Vice-President, JIKA Region (Japan, India, South Korea and South-East Asia) | 2024 |
| Mr. Jim Chang | Executive Vice-President, Faurecia Clarion Electronics | 2025 |
| Ms. Victoria Chanial | Executive Vice-President, Communication, Public Affairs and Sustainability Development | 2021 |
| Mr. Vincent Cousin | Executive Vice-President, Security, Cybersecurity, Risk and Crisis Management | 2024 |
| Mr. David Degrange | Executive Vice-President, Sales & Program Management | 2025 |
| Mr. Jorge Delic | Executive Vice-President, South America | 2022 |
| Mr. Olivier Durand | Executive Vice-President, Group Chief Financial Officer | 2017 |
| Ms. Jill Greene | Executive Vice-President, Group General Counsel & Board Secretary | 2023 |
| Mr. Olivier Lefebvre | Executive Vice-President, Industrial Operations & Faurecia Clean Mobility and in charge of Group Purchasing and Group Information Technology | 1995 |
| Mr. Jingcheng Li | Executive Vice-President, Group Strategy | 2006 |
| Mr. Chuan Ma | Executive Vice-President, China | 2009 |
| Mr. Thorsten Muschal | Executive Vice-President, Faurecia Interiors | 1992 |
| Mr. Stéphane Noël | Executive Vice-President, Faurecia Seating | 2024 |
| Mr. Jean-Pierre Sounillac | Executive Vice-President, Human Resources | 2001 |
| Mr. François Tardif | Executive Vice-President, North America | 2012 |

***Senior Management***

Each of our six business groups is organized into geographic divisions (Europe, North America and China) which manage operations in their region and also coordinate operations with customers headquartered in their region.

The six business groups also have a central staff that handles the main operational functions (sales and marketing, programs, manufacturing support, purchasing, quality, human resources and finance). These functions are also deployed within the geographic divisions by equivalent teams. Additionally, some businesses are organized in worldwide product lines within the four businesses, such as seat mechanisms.

Together with the Executive Committee and the main managers of quality experts as well as corporate functions (including operations, finance and human resources), the management teams described above form our Group Leadership Committee. On December 31, 2024, our Group Leadership Committee had 263 members. This is our operational management team, responsible for the Issuer's operations, growth and performance.

***Compensation of the Board of Directors and the Executive Committee***

The Board of Directors, upon a proposal from the Compensation Committee, sets the compensation for executive and non-executive corporate officers in accordance with the applicable legal provisions and the compensation policy.

The total compensation paid to non-executive corporate officers of the Board of Directors amounted to €0.7 million, compared with €0.9 million in 2023.

The total compensation paid to the members of the Executive Committee in 2024 amounted to €18.4 million, compared with €16.7 million in 2023.

## PRINCIPAL SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

### *Principal Shareholders*

As at December 31, 2024, our share capital amounted to €1,379,625,380 divided into 197,089,340 fully paid-up shares with a par value of €7, all in the same class. As of December 31, 2024, the total number of double voting rights represents less than 15% of the total number of voting rights as of December 31, 2024.

The HELLA Family Pool is collectively our largest shareholder with approximately 9% of our share capital.

Our ownership structure and exercisable voting rights as at December 31, 2024 were as follows:

| Shareholder | Shares Owned | % shares outstanding | % exercisable voting rights |
|---|---|---|---|
| ***Major shareholders*[(1)]** | | | |
| HELLA Family Pool | 17,345,867 | 8.80 | 10.27 |
| Exor N.V. | 9,948,904 | 5.05 | 4.54 |
| Peugeot 1810 | 6,110,494 | 3.10 | 5.50 |
| ***Subtotal*** | ***33,405,265*** | ***16.95*** | ***20.31*** |
| ***Company and company-related shareholding*** | | | |
| Corporate officers[(2)] | 209,642 | 0.10 | 0.16 |
| Employees[(3)] | 3,843,080 | 1.95 | 2.37 |
| Treasury shares[(4)] | 494,574 | 0.25 | 0.00 |
| *o/w liquidity contract* | 225,000 | 0.11 | 0.00 |
| ***Subtotal*** | ***4,547,296*** | ***2.31*** | ***2.54*** |
| ***Free float and other*** | | | |
| Other (including free float) | 159,136,779 | 80.74 | 77.15 |
| **TOTAL** | **197,089,340** | **100.00** | **100.00** |

(1) The major shareholders mentioned are those holding more than 3% of the capital stock or voting rights as of December 31, 2024.

(2) Excluding PEUGEOT 1810, whose shareholding is indicated above. However, this figure includes the shares held personally by Robert Peugeot, who was an individual board member until May 31, 2021 and then has been the permanent representative of PEUGEOT 1810 since that date. Taking into account the stake held by PEUGEOT 1810, the percentages of voting rights exercisable at the Annual General Meeting would be 5.38%.

(3) Calculated pursuant to art. L. 225-102 of the French Commercial Code. This figure includes shares held by Faur'ESO International Employees as part of a Stock Appreciation Rights (SAR) plan.

(4) Voting rights in treasury shares cannot be exercised by us.

### *Transactions with related parties*

Our business relations with non-consolidated or equity consolidated entities were considered as insignificant as of December 31, 2024.

In the ordinary course of our business, our consolidated subsidiaries, including our minority interests in consolidated subsidiaries, engage in intragroup transactions, including distributions and the issuance of dividends. In accordance with our past practice and in the ordinary course of our business, between December 31, 2024 and the date of this Offering Memorandum, our consolidated subsidiaries issued dividends to the Issuer or to other consolidated subsidiaries, including our minority interests in consolidated subsidiaries. In the year ended December 31, 2024, our consolidated subsidiaries issued dividends to the external shareholders of our minority interests in consolidated subsidiaries, in the amount of €89.5 million (recorded under "Dividends paid to minority interests in consolidated subsidiaries" in our 2024 Consolidated Financial Statements).

## DESCRIPTION OF OTHER INDEBTEDNESS

### Debt Summary

Our net debt as at December 31, 2024 was €6,622.6 million, reflecting total gross debt of €11,132.0 million and cash equivalents (including other current financial assets included in net debt) of €4,509.4 million. Our subsidiaries hold significant cash balances from their servicing of derecognized receivables, which are included in our short-term debt. In addition, our subsidiaries tend to hold significant amounts of cash that they intend to use to fund working capital requirements and capital expenditure, particularly in jurisdictions where it would be disadvantageous from a tax perspective to distribute the cash and subsequently to receive funding from the parent company.

The weighted average interest rate on our gross outstanding debt was 4.79% for the year ended December 31, 2024.

The main elements of our long-term debt as at December 31, 2024 were the Syndicated Credit Facility of €1,500 million of which there have been no drawings as at the date of this Offering Memorandum, the Japanese Yen Term and Revolving Facilities Agreement of JPY30 billion which has been fully drawn as at the date of this Offering Memorandum, the HELLA Credit Facility of €450 million of which there have been no drawings as of the date of this Offering Memorandum, JPY22 billion in aggregate principal amount of the HELLA Japanese Yen Debt, €700 million in aggregate principal amount of the Sustainability-Linked 2021 Schuldschein, and €742.6 million in aggregate principal amount of the Sustainability-Linked 2024 Schuldschein (of which an aggregate of €1,273 million is outstanding under both Sustainability-Linked Schuldscheins), €750 million in aggregate principal amount of the 2026 Notes, €750 million in aggregate principal amount of 2026 Sustainability-Linked Notes (of which €330.2 million is outstanding), €890 million in aggregate principal amount of the 2027 Notes, €1,200 million in aggregate principal amount of the 2027 Sustainability-Linked Notes, €700 million in aggregate principal amount of the 2028 Notes, €500 million in aggregate principal amount of the 2029 Notes, €400 million in aggregate principal amount of the 2029 Green Notes, €700 million in aggregate principal amount of 2031 Notes, JPY19.2 billion in aggregate principal amount of the JPY Notes, €500 million in aggregate principal amount of the HELLA 2027 Notes, €315 million under the EIB Loan, €500 million under the Term Loan, U.S.$300 million equivalent under the Latin American Syndicated Loans and €200 million under the HELLA SSD.

For a schedule of the maturities of our outstanding long-term debt as at December 31, 2024, see "*Management's Discussion and Analysis of Results of Operations—Contractual Obligations and Commercial Commitments*."

### 2026 Notes

On March 27, 2019, we issued €500 million in principal amount of 3.125% Senior Notes due 2026 and, on October 31, 2019, we issued an additional €250 million in principal amount of 3.125% Senior Notes due 2026, which are consolidated and form a single series. They are listed on Euronext Dublin (Global Exchange Market). The 2026 Notes will mature at par on June 15, 2026 unless earlier redeemed or repurchased and cancelled. The Issuer intends to use the proceeds of the Notes offered hereby to refinance in full the 2026 Notes.

#### *Terms of the 2026 Notes*

We are required to pay interest on the 2026 Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2019.

The 2026 Notes will mature at par on June 15, 2026 unless earlier redeemed or repurchased and cancelled. The 2026 Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2026 Notes are redeemable, in whole or in part, at a redemption price equal to 100% of their principal amount plus a redemption premium and accrued and unpaid interest, if any, to the redemption date. The 2026 Notes are also redeemable, in whole but not in part, upon certain developments affecting taxation, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, we may, at our option and on one or more occasions prior to December 15, 2022, redeem up to 35% of the outstanding principal amount of the 2026 Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 103.125% of the principal amount thereof, plus

accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2026 Notes may require us to repurchase their 2026 Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

**2026 Sustainability-Linked Notes**

On November 15, 2022, we issued €700 million in principal amount of 7.25% Sustainability-Linked Senior Notes due 2026 and, on February 1, 2023, we issued an additional €250 million in principal amount of 7.25% Sustainability-Linked Senior Notes due 2026, which are consolidated and form a single series. On December 14, 2023, March 11, 2024 and May 7, 2024, we repurchased approximately €150 million, approximately €220 million and approximately €250 million, respectively, in principal amount of the 2026 Sustainability-Linked Notes, reducing the principal outstanding from an aggregate of €950 million to approximately €330 million. The 2026 Sustainability-Linked Notes are listed on Euronext Dublin (Global Exchange Market).

As of December 31, 2023, FORVIA achieved its SPT 1.a target of reducing Scope 1 Emissions and Scope 2 Emissions intensity by 20% between 2019 and 2023. As of December 31, 2023, FORVIA had scope 1 & 2 $CO_2$ emissions of 26 $tCO_2$ equivalent per € million of sales, as compared with scope 1 & 2 emissions of 49 $tCO_2$ equivalent per € million of sales, which corresponds to a reduction of more than 53%.

***Terms of the 2026 Sustainability-Linked Notes***

We are required to pay interest on the 2026 Sustainability-Linked Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2023. The interest rate payable on the Notes will increase by 0.25% per annum from June 15, 2026 unless we certify that by December 31, 2025 we have achieved the relevant sustainability performance target (attaining the Issuer's target set forth in the Group's sustainability-linked financing framework to reduce absolute Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by 10% by 2026, 15% by 2027 and 45% by 2030 from its 2019 baseline, subject to any recalculation) and obtain an assurance letter from the external verifier.

The 2026 Sustainability-Linked Notes will mature (i) at a redemption price of 100.125%, unless we certify that we have achieved the relevant sustainability performance target, or (ii) otherwise at par, on June 15, 2026 unless earlier redeemed or repurchased and cancelled. The 2026 Sustainability-Linked Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2026 Sustainability-Linked Notes are redeemable, in whole or in part, at any time prior to November 15, 2024 at a redemption price equal to 100% of their principal amount plus a "make-whole" premium and accrued and unpaid interest, if any, to the redemption date. The 2026 Sustainability-Linked Notes are also redeemable at any time on or after November 15, 2024 at redemption prices that vary depending on the year of redemption and attainment and certification of the relevant sustainability performance target. In addition, we may, at our option and on one or more occasions prior to November 15, 2024, redeem up to 40% of the outstanding principal amount of the 2026 Sustainability-Linked Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 107.25% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the 2026 Sustainability-Linked Notes, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2026 Sustainability-Linked Notes may require us to repurchase their 2026 Sustainability-Linked Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

**2027 Notes**

On November 27, 2019, we issued €700 million in principal amount of 2.375% Senior Notes due 2027 and, on February 3, 2021, we issued €190 million in principal amount of 2.375% Senior Notes due 2027, which are consolidated and form a single series. They are listed on Euronext Dublin (Global Exchange Market). The 2027 Notes will mature at par on June 15, 2027 unless earlier redeemed or repurchased and cancelled.

***Terms of the 2027 Notes***

We are required to pay interest on the 2027 Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2020.

The 2027 Notes will mature at par on June 15, 2027 unless earlier redeemed or repurchased and cancelled. The 2027 Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2027 Notes are redeemable, in whole or in part, at a redemption price equal to 100% of their principal amount plus a redemption premium and accrued and unpaid interest, if any, to the redemption date. The 2027 Notes are also redeemable, in whole but not in part, upon certain developments affecting taxation, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, we may, at our option and on one or more occasions prior to June 15, 2023, redeem up to 35% of the outstanding principal amount of the 2027 Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 102.375% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2027 Notes may require us to repurchase their 2027 Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

**2027 Sustainability-Linked Notes**

On November 10, 2021, we issued €1,200 million in principal amount of 2.75% Sustainability-Linked Senior Notes due 2027. They are listed on Euronext Dublin (Global Exchange Market).

As of December 31, 2023, FORVIA achieved its SPT 1.a target of reducing scope 1 & 2 emissions intensity by 20% between 2019 and 2023. As of December 31, 2023, FORVIA had scope 1 & 2 $CO_2$ emissions of 26 $tCO_2$ equivalent per € millions of sales, as compared with scopa 1 & 2 emissions of 49 $tCO_2$ equivalent per € million of sales, which corresponds to a reduction of more than 53%.

***Terms of the 2027 Sustainability-Linked Notes***

We are required to pay interest on the 2027 Sustainability-Linked Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2022. The interest rate payable on the Notes will increase by 0.25% per annum from June 15, 2026 unless we certify that by December 31, 2025 we have achieved the relevant sustainability performance target (attaining the Issuer's target set forth in the Group's sustainability-linked financing framework to reduce absolute Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by 10% by 2026, 15% by 2027 and 45% by 2030 from its 2019 baseline, subject to any recalculation) and obtain an assurance letter from the external verifier.

The 2027 Sustainability-Linked Notes will mature (i) at a redemption price of 100.125%, unless we certify that we have achieved the relevant sustainability performance target, or (ii) otherwise at par, on June 15, 2027 unless earlier redeemed or repurchased and cancelled. The 2027 Sustainability-Linked Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2027 Sustainability-Linked Notes are redeemable, in whole or in part, at any time prior to February 15, 2024 at a redemption price equal to 100% of their principal amount plus a "make-whole" premium and accrued and unpaid interest, if any, to the redemption date. The 2027 Sustainability-Linked Notes are also redeemable at any time on or after February 15, 2024 at redemption prices that vary depending on the year of redemption and attainment and certification of the relevant sustainability performance target. In addition, we may, at our option and on one or more occasions prior to February 15, 2024, redeem up to 40% of the outstanding principal amount of the 2027 Sustainability-Linked Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 102.75% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the 2027 Sustainability-Linked Notes, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2027 Sustainability-Linked Notes may require us to repurchase their 2027 Sustainability-Linked Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

**2028 Notes**

On July 31, 2020, we issued €700 million in principal amount of 3.750% Senior Notes due 2028. They are listed on Euronext Dublin (Global Exchange Market). The 2028 Notes will mature at par on June 15, 2028 unless earlier redeemed or repurchased and cancelled.

***Terms of the 2028 Notes***

We are required to pay interest on the 2028 Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on December 15, 2020.

The 2028 Notes will mature at par on June 15, 2028 unless earlier redeemed or repurchased and cancelled. The 2028 Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2028 Notes are redeemable, in whole or in part, at a redemption price equal to 100% of their principal amount plus a redemption premium and accrued and unpaid interest, if any, to the redemption date. The 2028 Notes are also redeemable, in whole but not in part, upon certain developments affecting taxation, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, we may, at our option and on one or more occasions prior to June 15, 2023, redeem up to 40% of the outstanding principal amount of the 2028 Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 103.750% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2028 Notes may require us to repurchase their 2028 Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

**2029 Green Notes**

On March 22, 2021, we issued €400 million in principal amount of 2.375% Senior Notes due 2029. They are listed on Euronext Dublin (Global Exchange Market). The 2029 Green Notes will mature at par on June 15, 2029 unless earlier redeemed or repurchased and cancelled.

***Terms of the 2029 Green Notes***

We are required to pay interest on the 2029 Green Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2021.

The 2029 Green Notes will mature at par on June 15, 2029 unless earlier redeemed or repurchased and cancelled. The 2029 Green Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2029 Green Notes are redeemable, in whole or in part, at a redemption price equal to 100% of their principal amount plus a redemption premium and accrued and unpaid interest, if any, to the redemption date. The 2029 Green Notes are also redeemable, in whole but not in part, upon certain developments affecting taxation, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, we may, at our option and on one or more occasions prior to June 15, 2024, redeem up to 40% of the outstanding principal amount of the 2029 Green Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 102.375% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2029 Green Notes may require us to repurchase their 2029 Green Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

**2029 Notes and the 2031 Notes**

On March 11, 2024, we issued €500 million in principal amount of 5.125% Senior Notes due 2029 and €500 in principal amount of 5.500% Senior Notes due 2031 and used a portion of the net proceeds from these offerings to settle concurrent cash tender offers for a portion of our 2.625% Senior Notes due 2025 (since repaid in full)and a portion of the 2026 Sustainability-Linked Notes. The aggregate principal amount of 2026 Sustainability-Linked Notes purchased in the tender offers amounted to approximately €220 million.

On May 7, 2024, we issued an additional €200 million in principal amount of 5.500% Senior Notes due 2031, which are consolidated and form a single series with the €500 million 5.500% Senior Notes due 2031, and used

the net proceeds therefrom to settle a concurrent cash tender offer for an additional corresponding amount of 2026 Sustainability-Linked Notes.

Each of the 2029 Notes and the 2031 Notes are listed on the Global Exchange Market of Euronext Dublin. The 2029 Notes and the 2031 Notes will mature at par on June 15, 2029 and June 15, 2031, respectively unless earlier redeemed or repurchased and cancelled.

***Terms of the 2029 Notes and the 2031 Notes***

We are required to pay interest on the 2029 Notes and the 2031 Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2024.

The 2029 Notes will mature at par on June 15, 2029 and the 2031 Notes will mature at par on June 14, 2031, in each case unless earlier redeemed or repurchased and cancelled. Neither the 2029 Notes nor the 2031 Notes are senior unsecured obligations of the Issuer, nor are they guaranteed.

The 2029 Notes and the 2031 Notes are redeemable, in whole or in part, at any time prior to June 15, 2026 or June 15, 2027, respectively, at a redemption price equal to 100% of their principal amount plus a "make-whole" premium and accrued and unpaid interest, if any, to the redemption date. The 2029 Notes and the 2031 Notes are also redeemable at any time on or after June 15, 2026 or June 15, 2027, respectively, at redemption prices that vary depending on the year of redemption. In addition, we may, at our option and on one or more occasions prior to June 15, 2026 or June 15, 2027, respectively, redeem up to 40% of the aggregate principal amount of the 2029 Notes or redeem up to 40% of the aggregate principal amount of the 2031 Notes at any time prior to June 15, 2026 or June 15, 2027, respectively, with the net proceeds from one or more specified equity offerings at a redemption price for the 2029 Notes equal to 105.125% of the principal amount of the 2029 Notes or at a redemption price for the 2031 Notes equal to 105.500% of the principal amount of the 2031 Notes, plus, in each case, accrued and unpaid interest, if any, to the redemption date. In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2029 Notes and the 2031 Notes.

**JPY Notes**

***2026 JPY Notes***

On December 15, 2023, FORVIA issued bonds for an amount of ¥11,700 million due March 13, 2026, bearing annual interest of 2.48%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2024, the outstanding amount of these bonds amounted to ¥11,700 million (€71.8 million, translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, which was the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024).

***2027 JPY Notes***

On December 15, 2023, FORVIA issued bonds for an amount of ¥6,800 million due March 15, 2027, bearing annual interest of 2.81%, payable on June 15 and December 15 each year, as from June 15, 2024 (provided that the last interest payment shall be made on March 13, 2026).

As of December 31, 2024, the outstanding amount of these bonds amounted to ¥6,800 million (€41.7 million, translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, which was the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024).

***2028 JPY Notes***

On December 15, 2023, FORVIA issued bonds for an amount of ¥700 million due December 15, 2028, bearing annual interest of 3.19%, payable on June 15 and December 15 each year, as from June 15, 2024 (provided that the last interest payment shall be made on March 15, 2027).

As of December 31, 2024, the outstanding amount of these bonds amounted to ¥700 million (€4.3 million, translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, which was the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024).

***Terms of the JPY Notes***

Each series of the JPY Notes will mature at a redemption price of 100%, unless earlier redeemed or repurchased and cancelled. Each Series of the JPY Notes are senior unsecured and unguaranteed obligations of the Issuer.

Each series of the JPY Notes is redeemable, in the event of certain developments affecting taxation, in whole but not in part, at the option of the Issuer, at any time, at 100% of the principal amount, together with any interest accrued to and including the date fixed for redemption. In addition, upon the occurrence of certain changes of control of FORVIA, each bondholder will have the right to require us to redeem all or any part of such bondholder's bonds at a redemption price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of redemption.

**Syndicated Credit Facility**

On December 15, 2014, FORVIA signed a syndicated credit facility among us as borrower and various lenders, with a five-year maturity, for an amount of €1,200 million. This credit facility was renegotiated on June 24, 2016, then on June 15, 2018 in order to extend the maturity to five years from that date. In May 2021, FORVIA signed with its lenders an amend & extend agreement of this syndicated credit line enabling the Group to increase the amount up to €1,500 million, as well as indexing its costs on FORVIA's environmental performance, the interest rate varying depending upon the achievement of the Group's target of CO neutrality for its scopes 1 & 2, and to extend its maturity to five years, i.e. May 2026, with two one-year extension options subject to the lenders' agreement.

On April 26, 2022 FORVIA renegotiated its covenant related its leverage ratio (ratio of Net debt to Adjusted EBITDA) and which compliance is a condition affecting the availability of this credit facility. Net debt corresponds to published consolidated net debt. Adjusted EBITDA corresponds to operating income plus depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets, for the past twelve months. The level of this covenant was not to be tested for June 30, 2022 and was at 3.75x for December 31, 2022 (instead of 3.0x) before coming back to 3.0x from June 30, 2023 onwards. As of December 31, 2024, this condition was met.

On June 27, 2023 FORVIA extended the maturity of the syndicated credit facility to May 28, 2027 for an amount of €1,450 million. The available amount is of €1,500 million up to May 28, 2026. FORVIA also negotiated the possibility to extend the credit facility until June 2, 2028, subject to the lenders' agreement. This credit facility includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of lenders representing two-thirds of the syndicate) and on the debt level of some subsidiaries.

On June 10, 2024, FORVIA extended the maturity of the syndicated credit facility to May 26, 2028 for an amount of €1,500 million.

As of December 31, 2024, this facility was not drawn.

**Japanese Yen Term and Revolving Facilities Agreement**

We have entered into a JPY30 billion Japanese Yen Term and Revolving Facilities Agreement among us as borrower and various lenders dated February 7, 2020 with a five-year maturity (with the possibility to extend such maturity by two one-year periods, the first of which has been exercised to extend maturity to February 7, 2026). The maturity of the credit line has been extended from February 2025 to February 2026 by exercising the first extension option.

The Japanese Yen Term and Revolving Facilities Agreement is composed of (i) a term facility for an amount of JPY15 billion and (ii) a revolving facility for an amount of JPY15 billion.

As at the date of this Offering Memorandum, JPY20 billion was drawn under the facility. The Japanese Yen Term and Revolving Facilities Agreement includes one financial covenant (which needs to be complied with semi-annually), concerning compliance with a consolidated financial ratio: the ratio of total net debt to Adjusted EBITDA must not exceed 3.0x (previously 2.79x).

On April 26, 2022 we proactively renegotiated such covenant. The level of this ratio was not tested on June 30, 2022 and will be set at 3.75x for December 31, 2022 (instead of 3.0x) before returning to 3.0x from June 30, 2023 onwards.

As at December 31, 2024, we complied with this ratio.

Net debt corresponds to published consolidated net debt. Adjusted EBITDA corresponds to operating income plus depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets, for the past twelve months. Furthermore, this Japanese Yen Term and Revolving Facilities Agreement includes some restrictive provisions on asset disposals (and for example, a disposal representing the higher of €4,000 million and 35% of our total consolidated assets requires the prior approval of lenders representing two-thirds of the lenders under the Japanese Yen Term and Revolving Facilities Agreement) and on the level of indebtedness of our subsidiaries.

**Sustainability-Linked Schuldschein**

In December 2021, we entered into transactions to issue €700 million in principal amount of sustainability-linked *Schuldscheindarlehen* (a privately placed bank loan under German law), issued in multiple tranches with settlement in December 2021 for €435 million thereof and in January 2022 for €265 million thereof, maturing in July 2024, January 2026, January 2027 and January 2028 and of which FORVIA repaid €138.0 million of the floating rate tranche upon maturity in July 2024. The Sustainability-Linked 2021 Schuldschein was issued under our sustainability-linked financing framework established in October 2021. The Sustainability-Linked 2021 Schuldschein does not include any financial covenants. However, the Sustainability-Linked 2021 Schuldschein includes certain restrictive provisions on asset disposals and on the level of indebtedness of our subsidiaries. The U.S. dollar tranches have in effect been partially converted in euro through long term cross-currency swaps. The proceeds from the Sustainability-Linked 2021 Schuldschein were used to finance the HELLA Acquisition.

In July 2024, we entered into transactions to issue €742.6 million in principal amount of sustainability-linked *Schuldscheindarlehen* (a privately placed bank loan under German law), issued in multiple tranches with settlement July 12, 2024 for €542.6 million thereof and on July 24, 2024 for €200 million thereof, maturing in January 2027, January 2028, July 2029 and July 2031. The Sustainability-Linked 2024 Schuldschein was issued under our sustainability-linked financing framework established in October 2021. The Sustainability-Linked 2024 Schuldschein does not include any financial covenants. However, the Sustainability-Linked 2024 Schuldschein includes certain restrictive provisions on asset disposals and on the level of indebtedness of our subsidiaries. The U.S. dollar tranches have in effect been partially converted in euro through long term cross-currency swaps. The proceeds from the Sustainability-Linked 2024 Schuldschein were used to finance the early repayment of reimbursement by anticipation of other *schuldschein* maturing in 2024 and the redemption of the remaining outstanding amount of our 2.625% Senior Notes due 2025.

**Factoring Programs**

We have several factoring programs, which enable us to obtain financing at a lower cost than issuing bonds or obtaining bank loans. Part of our financing requirements is met through receivables sale programs, under which the receivables are derecognized and not included as assets in our consolidated balance sheet.

As at December 31, 2024, financing under these programs, corresponding to the cash received as consideration for the receivables sold totaled €1,278.9 million, compared to €1,291.6 million as at December 31, 2023 and €1,274.9 million as at December 31, 2022. See note 19 of our 2024 Consolidated Financial Statements for more information on our factoring programs.

**Negotiable Debt Instruments**

We have a €1,200 million commercial paper program (NEU CP) and a €500 million Medium Term Notes program (NEU MTN). We regularly issue securities under these programs with maturities of between one month and 2.5 years. As at December 31, 2024, the outstanding amount under both programs, aggregated, was €487.2 million.

**European Investment Bank Term Loan**

We entered into a €315 million term loan dated July 1, 2022 with a seven-year maturity to finance investments in R&D and manufacturing deployment of hydrogen technology for mobility applications and R&D in the fields of vehicle advanced driver assistance systems and driver monitoring systems. The EIB Loan is composed of two tranches (i) a first tranche for an amount of €289 million, and (ii) a second tranche of €26 million. As at December 31, 2024, €315 million was drawn under the EIB Loan.

The EIB Loan includes one financial covenant tested semi-annually requiring a consolidated financial ratio of total net debt to Adjusted EBITDA not to exceed 3.75x as at December 31, 2022, 3.75x as at December 31, 2023 and 3.75x as at December 31, 2024 and thereafter. For the purposes of such financial covenant (i) net debt corresponds to published consolidated net debt and (ii) Adjusted EBITDA corresponds to operating income plus depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets, for the last twelve months.

As at December 31, 2024, we complied with this ratio.

The EIB Loan also includes restrictive provisions on asset disposals and on the level of indebtedness of our subsidiaries.

**Latin American Syndicated Loans**

Our consolidated subsidiary, FORVIA Sistemas Automotrices de Mexico Srl, entered into a U.S.$210 million equivalent loan (converted from MXN to U.S.$ at the time of issuance) dated September 22, 2022 with a five-year maturity. The following loans were made available to us pursuant to the Latin American Syndicated Facility agreement: (i) a first tranche of MXN 2 billion with floating interest and (ii) a second tranche of U.S.$110 million with floating interest. We entered into a further U.S.$90 million (converted from MXN to U.S.$ at the time of issuance) loan dated February 10, 2023 with the same conditions and maturity, March 22, 2028.

Although the Latin American Syndicated Facility does not include any financial covenants, it includes certain restrictions on the level of indebtedness of some of our subsidiaries.

**Term Loan**

FORVIA signed on June 9, 2023 a €500 million syndicated loan with a maturity to June 2, 2026 and including two one-year extension options until June 2, 2028, submitted to the banks' agreement, the interest rate varying depending upon the achievement of the Group's target of CO neutrality for its scopes 1, 2 & 3 controlled emissions. On May 24, 2024, the maturity of this loan was extended to June 2, 2027.

The Term Loan includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the Term Loan) and on the debt level of some subsidiaries.

**HELLA Indebtedness**

The indebtedness of HELLA, FORVIA's majority-owned and fully consolidated subsidiary, will be structurally senior to the Syndicated Credit Facility, the Japanese Yen Term and Revolving Facilities Agreement, the Schuldscheindarlehen, the EIB Loan, the Term Loan, the 2026 Sustainability-Linked Notes, 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Green Notes, the JPY Notes and the Notes.

The HELLA Indebtedness includes (i) the HELLA 2027 Notes, (ii) the HELLA Japanese Yen Debt, (iii) the HELLA USD Loan, (iv) the HELLA SSD and (v) to the extent drawn, if at all, the HELLA Credit Facility.

***HELLA 2027 Notes***

The HELLA 2027 Notes were issued on September 3, 2019, with a principal amount of €500 million. The HELLA 2027 Notes are due on January 26, 2027, and bear annual interest of 0.50%, which is payable on January 26 each year, beginning from January 26, 2020.

The proceeds of the HELLA 2027 Notes were used to redeem the €500 million bonds due January 24, 2020, bearing annual interest of 2.375%, issued in January 2013.

The HELLA 2027 Notes are listed on the Luxembourg Stock Exchange.

***HELLA Japanese Yen Debt***

On September 17, 2002, HELLA issued a notes certificate for an amount of JPY 12 billion due on September 17, 2032, bearing annual interest of 3.50% (accruing in Japanese Yen), which is payable on March 17 and September 17 each year, beginning from March 17, 2003.

On June 26, 2003, HELLA signed a loan for an amount of JPY 10 billion due June 20, 2033, bearing annual interest of 4.02% (accruing in U.S. dollars), which is payable on June 20 and December 20 each year, beginning from December 20, 2003.

***HELLA Credit Facility***

On September 30, 2022 HELLA signed a new syndicated credit facility, replacing the prior facility signed on June 1, 2015, for an amount of up to €450 million, with maturity on September 30, 2025, with two one-year extension options and an option to increase the amount up to an additional €150 million. In September 2023, HELLA exercised one of its extension options to extend the maturity of the credit line through December 2026.

As of December 31, 2024, this facility was not drawn.

***HELLA USD Loan***

HELLA is party to a loan denominated in U.S. dollars, in the equivalent amount of U.S.$75 million, due in January 2026.

***HELLA SSD***

In March 2024, HELLA placed a senior unsecured *schuldschein* with principal amount of €200 million (the "**HELLA SSD**"). The HELLA SSD was placed in several tranches, in EUR and USD, at fixed and variable rates, with maturities in March 2027, March 2029 and March 2031. Proceeds were used in May 2024 to repay a portion of the maturing €300 million 1.000% Notes due 2024 which HELLA had issued in May 2017.

## DESCRIPTION OF THE NOTES

FORVIA S.E., a *société européenne (societas europea*) incorporated under the laws of the Republic of France (the "*Issuer*") will issue the Notes (as defined below) under an indenture (the "*Indenture*"), to be dated as of March 24, 2025, by and among, *inter alios,* itself, and Citibank, N.A., London Branch as trustee (the "*Trustee*").

The following summary of certain provisions of the Indenture and the Notes (as defined below) does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the Indenture and the Notes, including the definitions of certain terms therein. The Indenture will not be qualified under or incorporate or include any of the provisions of the U.S. Trust Indenture Act of 1939, as amended.

Capitalized terms used in this "Description of the Notes" and not otherwise defined have the meanings set forth in "—Certain Definitions*"* As used in this "Description of the Notes" section, "*we*", "*us*" and "*our*" mean FORVIA S.E. and its Subsidiaries and the "Issuer" refers only to FORVIA S.E.

The Issuer will issue €750,000,000 million in initial aggregate principal amount of senior unsecured notes denominated in euros due 2030 (the "*Initial Notes*"). The Issuer may issue additional Notes denominated in euros (the "*Additional Notes*") from time to time after this offering without the consent of holders. The Initial Notes and the Additional Notes are collectively referred to herein as the "*Notes*." Any offering of Additional Notes is subject to the covenant described below under the caption "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*." Except as otherwise stated herein, the Initial Notes and any Additional Notes subsequently issued under the Indenture will be treated as a single series for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. Notwithstanding the foregoing, any Additional Notes that are not fungible with the Initial Notes offered hereunder for U.S. federal income tax purposes shall have a separate ISIN or other identifying number from such Notes. Unless the context otherwise requires, for all purposes of the Indenture and this "*Description of the Notes*," references to the Notes include any Additional Notes, as the case may be, actually issued.

Principal of, premium, if any, and interest on the Notes will be payable, and the Notes may be exchanged or transferred, at the office or agency designated by the Issuer (which initially shall be the Paying Agent, the Transfer Agent or the Registrar, as the case may be).

The Notes will be issued only in fully registered form, without coupons. The Notes will be issued in minimum denominations of €100,000 and any integral multiple of €1,000 in excess thereof. No service charge will be made for any registration of transfer or exchange of Notes, but the Issuer may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection therewith.

The Issuer is a holding company for its Subsidiaries, with no material operations of its own and only limited assets. Accordingly, the Issuer is dependent upon the distribution of the earnings of its Subsidiaries, whether in the form of dividends, advances, payments on account of intercompany obligations or otherwise, to service its debt obligations.

**Terms of the Notes**

The Notes will be senior unsecured obligations of the Issuer. The Notes will mature on June 15, 2030.

Interest on the Notes will be payable semi-annually in arrears on each June 15 and December 15, commencing on June 15, 2025 (short first coupon). The Issuer will make each interest payment to the holders of record of the Notes on the Business Day immediately preceding the related interest payment date. Interest on the Notes will accrue from the Issue Date or the most recent date to which interest has been paid or provided for. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Interest on the Notes will accrue from the Issue Date to but excluding June 15, 2030, at the rate of 5.625% per annum.

**Optional Redemption**

Except as described below, the Notes are not redeemable at the Issuer's option prior to June 15, 2027 (the "**First Call Date**"). On or after the First Call Date, the Issuer may redeem the Notes, at its option, in whole at any time or in part from time to time, upon not less than 10 nor more than 60 days' prior notice delivered electronically or by first-class mail to each holder's registered address or, in the case of Notes issued in global form, delivered

in accordance with the rules and procedures of the applicable clearing system, at the following redemption prices (expressed as a percentage of principal amount), plus accrued and unpaid interest, if any, to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the twelve-month period commencing on June 15 of the years set forth below:

| Period | Notes Redemption Price |
|---|---|
| 2027 | 102.8125% |
| 2028 | 101.4063% |
| 2029 and thereafter | 100.0000% |

In addition, prior to the First Call Date, the Issuer may redeem the Notes, at its option, in whole at any time or in part from time to time, upon not less than 10 nor more than 60 days' prior notice electronically delivered or mailed by first-class mail to each holder's registered address, or, in the case of Notes issued in global form, delivered in accordance with the rules and procedures of the applicable clearing system at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Notwithstanding the foregoing, at any time and from time to time prior to the First Call Date, the Issuer may redeem the Notes in an aggregate amount equal to up to 40% of the original aggregate principal amount of the Notes (calculated after giving effect to any issuance of Additional Notes) with an amount equal to the net cash proceeds of one or more Equity Offerings by the Issuer, at a redemption price (expressed as a percentage of principal amount thereof) of 100% plus a premium (expressed as a percentage of principal amount thereof) equal to 5.625%, plus accrued and unpaid interest to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided, however*, that at least 60% of the original aggregate principal amount of the Notes being redeemed (calculated after giving effect to any issuance of Additional Notes) must remain outstanding after each such redemption; *provided, further*, that such redemption shall occur within 90 days after the date on which any such Equity Offering is consummated upon not less than 10 nor more than 60 days' notice of Notes being redeemed electronically delivered or delivered by first-class mail to each holder's registered address, or in the case of Notes issued in global form, delivered in accordance with the rules and procedures of the applicable clearing system, and otherwise in accordance with the procedures set forth in the Indenture.

Any redemption or notice of any redemption may, at the Issuer's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of an Equity Offering, other debt or equity financing, acquisition or other corporate transaction or event, and, at the Issuer's discretion, the redemption date may be delayed until such time as any or all of such conditions have been satisfied. In addition, we may provide in any notice of redemption that payment of the redemption price and the performance of our obligations with respect to such redemption may be performed by another person; *provided, however*, that the Issuer will remain obligated to pay the redemption price and perform its obligations with respect to such redemption in the event such other person fails to do so and all conditions to such redemption, if any, are satisfied.

If an optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such record date.

The Issuer shall notify the Trustee and the Paying Agent of the final redemption amount due to be paid on the redemption date no later than two Business Days prior to the relevant due date for payment.

**Redemption for Taxation Reasons**

The Issuer may redeem the Notes, at its option, at any time as a whole but not in part, upon not less than 10 nor more than 60 days' notice electronically delivered or by first-class mail mailed to each holder's registered address (with a copy to the Trustee), or, in the case of Notes issued in global form, delivered in accordance with the rules and procedures of the applicable clearing system, at 100% of the principal amount thereof, plus accrued and unpaid interest (if any) to the date of redemption and all Additional Amounts (as defined below) (if any) then due and that will become due on the date of redemption as a result of the redemption or otherwise (subject to the right of holders of the Notes of record on the relevant record date to receive interest due on the relevant

interest payment date that is prior to the date of redemption and Additional Amounts (if any) in respect thereof), in the event the Issuer has become or would become obligated to pay, on the next date on which any amount would be payable with respect to the Notes, any Additional Amounts as a result of:

(1) a change in or an amendment to the laws (including any regulations or rulings promulgated thereunder) of, or any treaties applicable to, any Relevant Taxing Jurisdiction (as defined below) (or any political subdivision or taxing authority thereof or therein); or

(2) any change in or amendment to any official position regarding the application or interpretation of such laws, treaties, regulations or rulings (including a judgment by a court of competent jurisdiction),

which change or amendment is not publicly announced before and becomes effective on or after the Issue Date (or, if the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction after the Issue Date, the date on which such Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction) and the Issuer cannot avoid such obligation by taking reasonable measures available to it (including making payment through a Paying Agent located in another jurisdiction).

The Issuer will not give any such notice of redemption earlier than 90 days prior to the earliest date on which the Issuer would be obligated to pay Additional Amounts (if a payment in respect of the Notes were then due) and unless at the time such notice is given, the obligation to pay Additional Amounts remains in effect.

Before the Issuer notifies the holders of the Notes of a redemption of such Notes as described above, the Issuer will deliver to the Trustee (with a copy to the Paying Agent) an Officer's Certificate to the effect that the Issuer cannot avoid the obligation to pay Additional Amounts by taking reasonable measures available to it. The Issuer will also deliver an opinion of independent legal counsel of recognized standing, the choice of such counsel to be subject to the prior written approval of the Trustee (such approval not to be unreasonably withheld), and an Officer's Certificate, each stating that the Issuer would be obligated to pay Additional Amounts as a result of a change in laws, treaties, regulations or rulings or the application or interpretation of such laws, treaties, regulations or rulings. The Trustee shall accept the Officer's Certificate and such opinion as sufficient evidence of the satisfaction of the conditions precedent described above without further inquiry or liability to holders in respect thereof.

**Withholding Taxes**

All payments made by or on behalf of the Issuer (including any successor entity) (each, a "*Payor*") under or with respect to the Notes will be made free and clear of, and without withholding or deduction for or on account of, any present or future tax, duty, levy, impost, assessment, deduction, withholding or other governmental charge (including penalties, interest and other additions related thereto) (hereinafter "*Taxes*") imposed or levied by or on behalf of the Republic of France, any jurisdiction from or through which payment is made, and (if different) any jurisdiction to which the payment is effectively connected and in which the payor has a permanent establishment or is resident for tax purposes, and, in each case, any political subdivision or taxing authority thereof or therein (each a "*Relevant Taxing Jurisdiction*"), unless such withholding or deduction is required by law.

If any amounts are required to be withheld or deducted for or on account of Taxes imposed by a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payor, will be required to pay such additional amounts ("*Additional Amounts*") as may be necessary so that the net amount received (including Additional Amounts) after such withholding or deduction will not be less than the amount that would have been received if such Taxes had not been withheld or deducted; *provided, however*, that the foregoing obligation to pay Additional Amounts shall not apply to:

(1) any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant holder or beneficial owner of a Note (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, the relevant holder, if the relevant holder is an estate, trust, partnership or corporation) and the Relevant Taxing Jurisdiction but excluding any connection arising from the ownership or holding of such Note, the enforcement of rights under such Note following an Event of Default or the receipt of payment in respect of such Note;

(2) estate, inheritance, gift, sales, transfer, personal property or similar Taxes;

(3) any Taxes that would not have been imposed but for the presentation of the Note by the holder for

payment (where presentation is required in order to receive payment) more than 30 days after the date on which such payment on such Note became due and payable or the date on which payment thereof is duly provided for, whichever is later (except to the extent that the holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30-day period);

(4) any Taxes imposed on or with respect to any payment by the Issuer to a holder that is a fiduciary or partnership or any person other than the beneficial owner of such payment to the extent that a beneficiary or settlor with respect of such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such Note;

(5) any withholding or deduction imposed as a result of the failure of the holder or beneficial owner of the Notes to comply with any reasonable written request, made to that holder or beneficial owner in writing at least 30 days before any such withholding or deduction would be payable by the Issuer or the relevant Paying Agent, to provide timely and accurate information concerning the nationality, residence or identity of such holder or beneficial owner of the Notes or to make any valid and timely declaration or similar claim or satisfy any certification information or other reporting requirement (to the extent such holder or beneficial owner is legally eligible to do so), which is required or imposed by a statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction as a precondition to exemption from or reduction in all or part of such withholding or deduction;

(6) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the U.S. Internal Revenue Code (or any amended or successor version that is substantively comparable) or otherwise imposed pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code (or any amended or successor version that is substantively comparable), any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental agreement relating thereto;

(7) any Taxes imposed on or with respect to a payment made to a holder or beneficial owner of Notes who would have been able to avoid such withholding or deduction by presenting the relevant Notes to, or otherwise accepting payment from, another paying agent;

(8) any tax, assessment or other governmental charge that is imposed otherwise than by deduction or withholding from payments made under or with respect to the Notes; and

(9) any combination of the above clauses (1) through (8).

The Payor will make all required withholdings and deductions and will remit the full amount required to be deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Payor will provide certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes, or if such tax receipts are not available, certified copies or other reasonable evidence of such payments as soon as reasonably practicable to the Trustee (with a copy to the Paying Agent). Such copies shall be made available to the holders of the Notes for inspection or collection upon request during normal office hours at the specified office of the Paying Agent or may be provided by email to a holder of the Notes following their prior written request to the Paying Agent and provision of proof of holding and identity (in a form reasonably satisfactory to the Paying Agent).

If any Payor is obliged to pay Additional Amounts under or with respect to any payment made on any Note, at least 30 days prior to the date of such payment, the Payor will deliver to the Trustee (with a copy to the Paying Agent) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable and such other information necessary to enable the Principal Paying Agent to pay Additional Amounts on the relevant payment date (unless such obligation to pay Additional Amounts arises less than 45 days prior to the relevant payment date, in which case the Payor may deliver such Officer's Certificate as promptly as practicable thereafter). The Trustee and the Paying Agent shall be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary, without further inquiry, investigation, independent verification or liability of any kind.

Whenever in the Indenture or this "Description of the Notes" there is mentioned, in any context (i) the payment of principal; (ii) purchase prices in connection with a purchase of Notes; (iii) interest; or (iv) any other amount payable on or with respect to any of the Notes, such reference shall be deemed to include payment of Additional

Amounts as described under this heading to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Payor will pay any present or future stamp, issuance, registration, transfer or documentary taxes or any other excise or property taxes, charges or similar levies, and any penalties, additions to tax or interest due with respect thereto, that may be imposed in a Relevant Taxing Jurisdiction in connection with the execution, delivery, or registration of, or receipt of payment with respect to, any Notes, the Indenture or any other document or instrument referred to therein, or in any relevant jurisdiction in connection with any enforcement action following an Event of Default.

The obligations described under this heading will survive any termination or discharge of the Notes and the Indenture and will apply *mutatis mutandis* to any jurisdiction in which any successor person to a Payor is organized, engaged in business for tax purposes or otherwise resident for tax purposes, or any jurisdiction from or through which any payment under or with respect to the Notes is made by or on behalf of such Payor, or any political subdivision or taxing authority or agency thereof or therein.

**Selection and Notice**

In the case of any redemption of less than all the Notes, selection of Notes for redemption will be made by the paying agent or the registrar on a pro rata basis or by lot (or, in the case of Notes represented by global notes, on a pro rata basis in accordance with the rules and procedures of the applicable clearing system; *provided* that no Notes of €100,000 or less, shall be redeemed in part.

If any Note is to be redeemed in part only, the notice of redemption relating to such Note shall state the portion of the principal amount thereof to be redeemed. In the case of definitive Notes, a new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption so long as the Issuer has deposited with the Principal Paying Agent funds sufficient to pay the principal of, plus accrued and unpaid interest (if any) on, the Notes to be redeemed.

**Mandatory Redemption; Offers to Purchase; Open Market Purchases**

The Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase Notes as described under the caption "—Change of Control."

From time to time, the Issuer or its affiliates may acquire Notes through open market purchases, privately negotiated transactions, tender offers, exchange offers, redemptions or otherwise, upon such terms and at such prices as the Issuer or its affiliates may determine, which may be more or less than the consideration for which the Notes offered hereby are being sold and could be for cash or other consideration. There can be no assurance as to which, if any, of these alternatives or combinations thereof the Issuer or its affiliates may choose to pursue in the future.

**Ranking**

The Notes constitute senior unsecured and unguaranteed obligations of the Issuer and rank *pari passu* among themselves and in right of payment to all existing and future unsecured and unsubordinated Indebtedness of the Issuer, effectively junior to secured Indebtedness of the Issuer (to the extent of the value of the assets securing such Indebtedness), structurally junior to Indebtedness, liabilities and commitments (including trade payables and lease obligations) of our Subsidiaries, and senior in right of payment to any existing or future Subordinated Indebtedness of the Issuer.

**Note Guarantees**

Any of the Issuer's direct and indirect Subsidiaries may from time to time provide a Note Guarantee, including pursuant to the covenant described under "*—Certain Covenants—Limitation on Issuances of Guarantees of Indebtedness*." Any such Note Guarantee will, subject to the immediately succeeding paragraph below, jointly and severally, guarantee on a senior unsecured basis the performance and punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all Obligations of the Issuer under the Indenture and the Notes, whether for payment of principal of, premium, if any, or interest on the Notes, expenses, indemnification or otherwise (all such obligations guaranteed by such Note Guarantors being herein called the "*Guaranteed Obligations*").

Each Note Guarantee, if any, will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable Note Guarantor without (i) rendering the Note Guarantee, as it relates to such Note Guarantor, voidable under applicable law relating to limitations on guarantees, including fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally or (ii) resulting in any breach of corporate benefit, financial assistance, fraudulent preference, thin capitalization laws, retention of title claims, capital maintenance rules, general statutory limitations, or the laws or regulations (or analogous restrictions) of any applicable jurisdiction or any similar principles which may limit the ability of any Subsidiary to provide a guarantee or may require that the guarantee be limited by an amount or scope or otherwise or would, without corresponding limitations, result in a breach of law by any Subsidiary or its management.

Each Note Guarantee, if any, will be a continuing guarantee and shall:

(1) subject to the next succeeding paragraph, remain in full force and effect until payment in full of all the Guaranteed Obligations under the Indenture and the Notes;

(2) subject to the next succeeding paragraph, be binding upon each Note Guarantor and its successors; and

(3) inure to the benefit of and be enforceable by the Trustee, the holders of the Notes and their successors, transferees and assigns.

A Note Guarantee of a Note Guarantor will be automatically released upon:

(1) the sale, disposition or other transfer (including through merger or consolidation) of (x) the Capital Stock of the applicable Note Guarantor to a Person who is not (either before or after giving effect to the transaction) the Issuer or a Subsidiary of the Issuer, following which the applicable Note Guarantor is no longer a Subsidiary or (y) all or substantially all of the assets of such Note Guarantor, in each case if such sale, disposition or other transfer is not prohibited by the Indenture,

(2) in the case of any Subsidiary that after the Issue Date is required to guarantee the Notes pursuant to the covenant described under "*—Certain Covenants—Limitation on Issuances of Guarantees of Indebtedness*," the release or discharge of the guarantee by such Subsidiary of the Indebtedness of the Issuer or Note Guarantor, as the case may be, or the repayment of the Indebtedness, in each case, which resulted in the obligation to guarantee the Notes, or

(3) the Issuer's exercise of its legal defeasance option or covenant defeasance option with respect to the Notes as described under "*—Defeasance*," or if the Issuer's obligations under the Indenture are satisfied and discharged in accordance with the terms of such Indenture.

**Change of Control**

Upon the occurrence of any of the following events (each, a "*Change of Control*"), each holder will have the right to require the Issuer to repurchase all or any part of such holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to but excluding the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Issuer has previously elected to redeem the Notes as described under "*—Optional Redemption*." A Change of Control occurs:

(1) if any person or group acting in concert, other than any person that owns more than 50% of the Voting Stock of the Issuer as of the Issue Date (a) becomes the owner, directly or indirectly, of more than 50% of the Voting Stock of the Issuer; (b) becomes the owner, directly or indirectly, of more than 40% of the Voting Stock of the Issuer, and no other person or group owns, directly or indirectly, a higher percentage of the Voting Stock of the Issuer than the specified person or group; (c) becomes able to use the voting rights attributable to its Voting Stock to determine in fact the decisions made at the Issuer's general shareholders' meetings; or (d) owns Voting Stock of the Issuer and gains the power to appoint or dismiss the majority of the members of the Issuer's Board of Directors; or

(2) upon the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of Issuer and its Subsidiaries taken as a whole to any Person other than any person that owns more than 50% of the Voting Stock of the Issuer as of the Issue Date.

For the purposes of this definition, "*acting in concert*" has the meaning given to it in article L.233-10 of

the French *Code de commerce* (Commercial Code).

Within 30 days following any Change of Control, except to the extent that the Issuer has exercised its right to redeem the Notes as described under "—Optional Redemption", the Issuer shall electronically deliver or by first-class mail mailed to each holder's registered address, or in the case of Notes issued in global form, delivered in accordance with the rules and procedures of the applicable clearing system, a notice (a "*Change of Control Offer*") to each holder, with a copy to the Trustee and the Principal Paying Agent, stating:

(1) that a Change of Control has occurred and that such holder has the right to require the Issuer to repurchase such holder's Notes at a repurchase price in cash equal to 101% of the principal amount thereof on the date of repurchase, plus accrued and unpaid interest, if any, to but excluding the date of repurchase (subject to the right of holders of record on a record date to receive interest on the relevant interest payment date);

(2) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is delivered to the holders of the Notes, except that such notice may provide that, if the Change of Control does not occur on the repurchase date so designated, then the repurchase date may be delayed until such time as the applicable Change of Control shall occur);

(3) the instructions determined by the Issuer, consistent with this covenant, that a holder must follow in order to have its Notes purchased; and

(4) if such notice is delivered to the holders of the Notes prior to the occurrence of a Change of Control pursuant to a definitive agreement for the Change of Control, that such offer is conditioned on the occurrence of such Change of Control.

For the avoidance of doubt, a Change of Control Offer may be made in advance of a Change of Control, and be conditional upon such Change of Control, if a definitive agreement is in place in respect of the Change of Control at the time of making of the Change of Control Offer.

In addition, the Issuer will not be required to make a Change of Control Offer with respect to the Notes upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

If holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw such Notes in a Change of Control Offer and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as described above, purchases all of the Notes validly tendered and not withdrawn by such holders, all of the holders of the Notes will be deemed to have consented to such tender or other offer and accordingly, the Issuer or such third party will have the right, upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to repurchase all Notes that remain outstanding following such purchase at a price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest to but excluding the date of repurchase.

Notes repurchased by the Issuer pursuant to a Change of Control Offer will have the status of Notes issued but not outstanding or will be retired and canceled at the option of the Issuer.

Notes purchased by a third party pursuant to the preceding paragraph will have the status of Notes issued and outstanding.

To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

The provisions under the Indenture relating to the Issuer's obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the written consent of the holders of a majority in principal amount of the Notes.

**Certain Covenants**

Set forth below are summaries of certain covenants that will be contained in the Indenture.

***Covenant Suspension.***

If during any period the Notes have achieved and for so long as the Notes continues to maintain Investment Grade Status and no Event of Default shall have occurred and be continuing (such period, an "*Investment Grade Status Period*"), upon written notice by the Issuer to the Trustee in an Officer's Certificate certifying such Investment Grade Status and the absence of any Event of Default, the following captions in this "Description of the Notes" section of this offering memorandum will be suspended and will not be applicable to the Issuer and the Subsidiaries during such period:

(1) "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";

(2) "—Limitation on Liens";

(3) clause (3) of the second paragraph of "—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets"; and

(4) "—Limitation on Issuances of Guarantees of Indebtedness."

The covenants and other provisions of the Indenture that are suspended during an Investment Grade Status Period will be immediately reinstated and will continue to exist during any period in which the Notes do not have Investment Grade Status. No action taken during an Investment Grade Status Period or prior to an Investment Grade Status Period in compliance with the covenants then applicable will constitute a Default or an Event of Default under the Notes in the event that suspended covenants and provisions are subsequently reinstated or suspended, as the case may be. For the avoidance of doubt, an Investment Grade Status Period will not commence until the Issuer has provided written notice to the Trustee in accordance with this covenant.

For purposes of this covenant, "*Investment Grade Status*" exists as of any time if at such time the Notes have been assigned at least two of the following ratings: (i) BBB- or higher by S&P, (ii) Baa3 or higher by Moody's, or (iii) BBB- or higher by Fitch.

There can be no assurance that the Notes will ever achieve or maintain Investment Grade Ratings.

***Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock.***

The Indenture will provide that the Issuer will not, and will not permit any of its Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Debt), and the Issuer will not, and will not permit any Subsidiary to, issue any Disqualified Stock, and will not permit any of its Subsidiaries to issue any shares of Preferred Stock; *provided, however*, that:

(a) the Issuer may Incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, in each case, if the Fixed Charge Coverage Ratio for the Issuer's most recently ended two fiscal half-years for which internal financial statements are available immediately preceding the date on which such Indebtedness is Incurred or such Disqualified Stock is issued, as the case may be, would have exceeded 2.0 to 1.0, in each case determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if such Indebtedness had been Incurred or such Disqualified Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such two-half-year period; and

(b) Subsidiaries of the Issuer may Incur Indebtedness (including Acquired Debt) or issue Disqualified Stock or Preferred Stock, in each case, if (x) the Fixed Charge Coverage Ratio for the Issuer's most recently ended two fiscal half-years for which internal financial statements are available immediately preceding the date on which such Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued, as the case may be, would have exceeded 2.0 to 1.0, and (y) the Consolidated Senior Net Indebtedness Ratio for the Issuer's most recently ended two fiscal half-years for which internal financial statements are available immediately preceding the date on which such Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued, as the case may be, would have been less than 0.75 to 1.0, in the case of (x) and (y) determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if such Indebtedness had been Incurred or such Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such two-half-year period.

The foregoing limitations will not apply to any of the following:

(a) Indebtedness Incurred by the Issuer pursuant to Credit Facilities in an aggregate principal amount

outstanding at any time not exceeding the greater of (x) €4,650 million and (y) 15% of Consolidated Total Assets;

(b) Indebtedness owed to and held by the Issuer or a Subsidiary; *provided*, *however*, that any subsequent issuance or transfer of any Capital Stock which results in any such Subsidiary (to which such Indebtedness is owed) ceasing to be a Subsidiary or any subsequent disposition, pledge or transfer of such Indebtedness (other than to the Issuer or a Subsidiary) shall be deemed, in each case, to constitute the Incurrence of such Indebtedness by the obligor thereon not permitted by this clause (b); and *provided further* that in the case of any such Indebtedness owed by the Issuer to a Subsidiary, such Indebtedness shall (if and to the extent legally permitted) by its terms be Subordinated Indebtedness;

(c) Indebtedness represented by the Initial Notes;

(d) Indebtedness of the Issuer or any Subsidiary outstanding on the Issue Date (other than Indebtedness specified in clauses (a), (c) and (k) of this paragraph);

(e) Indebtedness of any Person that is assumed by the Issuer or any Subsidiary in connection with the Issuer's or any such Subsidiary's acquisition of assets from such Person or any Affiliate thereof or is issued and outstanding on or prior to the date on which such Person was acquired by the Issuer or any Subsidiary or merged or consolidated with or into the Issuer or any Subsidiary (other than Indebtedness Incurred to finance, or otherwise Incurred in connection with, or in contemplation of, such acquisition, merger or consolidation), *provided* that on the date of such acquisition, merger or consolidation, after giving *pro forma* effect thereto, the Issuer could incur at least €1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio in clause (a) of the first paragraph of this covenant or the Fixed Charge Coverage Ratio is equal to or greater than the Fixed Charge Coverage Ratio immediately prior to giving such *pro forma* effect thereto;

(f) the Incurrence of Refinancing Indebtedness by the Issuer or any Subsidiary in exchange for or the net proceeds of which are used to refund, replace, defease or refinance Indebtedness Incurred by the Issuer or any Subsidiary pursuant to clause (a) of the first paragraph of this covenant or clauses (c), (d) or (e) or this clause (f) of this paragraph;

(g) Hedging Obligations of the Issuer or any Subsidiary Incurred in the ordinary course of business and not for speculative purposes;

(h) Obligations in respect of worker's compensation claims, health, disability or other employee benefits or property, casualty or liability insurance, self-insurance obligations, performance, bid, stay, customs, appeal, surety bonds and similar bonds and completion guarantees provided by the Issuer or any Subsidiary in the ordinary course of business;

(i) Indebtedness arising from agreements of the Issuer or a Subsidiary providing for indemnification, adjustment of purchase price, earn-out or similar Obligations, in each case, Incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Stock of the Issuer or any Subsidiary; *provided* that such Indebtedness is not reflected on the balance sheet of the Issuer or any Subsidiary (it being understood that contingent Obligations referred to in a footnote to financial statements and not otherwise reflected on such balance sheet shall not be deemed to be reflected on such balance sheet for purposes of this sub-clause);

(j) Indebtedness of the Issuer or any Subsidiary in respect of (A) letters of credit, bankers' acceptances, bank guarantees (*cautions bancaires* or *garanties à première demande*) or other similar instruments or obligations issued, or relating to liabilities or obligations Incurred, in the ordinary course of business and not in connection with the borrowing of money (including those issued to governmental entities in connection with self-insurance under applicable workers' compensation statutes), or (B) decrees, attachments or awards or completion guarantees, surety, judgment, appeal or performance bonds, or other similar bonds, instruments or obligations or take-or-pay obligations contained in supply agreements, or relating to liabilities or obligations Incurred, in the ordinary course of business; *provided* that, with respect to the drawing of letters of credit, such Indebtedness is reimbursed within 30 days following such drawing;

(k) Indebtedness of the Issuer or any Subsidiary consisting of (A) Purchase Money Indebtedness and Capital Lease Obligations incurred by the Issuer or any Subsidiary for the purpose of financing all or any part

of the purchase price or cost of design, construction, installation or improvement of, or leasing of, property, plant or equipment used in the business of the Issuer or any of its Subsidiaries (including any reasonable fees and expenses Incurred in connection with such purchase, design, construction, installation or improvement), and any refinancing of Indebtedness with respect thereto, in an aggregate principal amount at any time outstanding not exceeding an amount equal to the greater of €1,700 million and 5.5% of Consolidated Total Assets or (B) lease obligations or other obligations that in each case would have been treated as operating leases under IAS 17 (Leases) as in effect on January 1, 2019, before the implementation of IFRS 16 (Leases);

(l) the Incurrence by the Issuer or any of its Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within ten Business Days;

(m) customer deposits and advance payments (not in connection with the borrowing of money) received from customers for goods or services purchased in the ordinary course of business;

(n) Indebtedness of the Issuer or a Subsidiary owing to the World Bank, the European Bank for Reconstruction and Development, the European Investment Bank, *Fonds Industriel de Modernisation*, *Fond de Développement Economique et Social* or any multilateral, governmental or European Union-controlled or US-controlled financial institution in an aggregate principal amount at any time outstanding not to exceed the greater of (x) €1,250 million and (y) 4% of Consolidated Total Assets; *provided* that the aggregate principal amount at any time outstanding of such Indebtedness that is secured by a Lien does not to exceed the greater of (A) €625 million and (B) 2% of Consolidated Total Assets;

(o) any guarantee by the Issuer or a Subsidiary of Indebtedness of the Issuer or of a Subsidiary, which Indebtedness in each case is permitted to be Incurred by another provision of this covenant; *provided* that any such guarantee of Indebtedness of the Issuer by a Subsidiary is made in compliance with the covenant described under the caption "—Limitation on Issuances of Guarantees of Indebtedness";

(p) any guarantees of the Issuer and its Subsidiaries in respect of Qualified Joint Ventures in an aggregate amount at any time outstanding not to exceed the greater of (x) €1,100 million and (y) 3.5% of Consolidated Total Assets;

(q) Indebtedness of the Issuer or any Subsidiary arising as a result of implementing composite accounting or other cash pooling arrangements, treasury or cash management arrangements or netting or setting off arrangements involving solely the Issuer and other members of the Group or solely among the members of the Group;

(r) Indebtedness of the Issuer or any Subsidiary (other than and in addition to Indebtedness permitted under clauses (a) through (q) or clause (s) of this paragraph) in an aggregate principal amount at any time outstanding not to exceed the greater of €1,550 million and 5.0% of Consolidated Total Assets; and

(s) shares of Preferred Stock of a Subsidiary issued to the Issuer or another Subsidiary; *provided* that any subsequent issuance or transfer of any Capital Stock which results in any Subsidiary that holds such shares of Preferred Stock of another Subsidiary ceasing to be a Subsidiary or any other subsequent transfer of any such shares of Preferred Stock (except to the Issuer or another Subsidiary) shall be deemed, in each case, to be an issuance of shares of Preferred Stock not permitted by this clause (s).

For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness Incurred pursuant to and in compliance with, this covenant:

(i) (x) any Indebtedness outstanding on the Issue Date under the Senior Credit Facilities will be treated as Incurred under clause (a) of the second paragraph of this covenant and may not be reclassified and (y) any Indebtedness described under clause (e) of the definition of "Indebtedness" (whether outstanding on the Issue Date or Incurred thereafter) shall be treated as Incurred under clause (k) of the second paragraph of this covenant and may not be reclassified;

(ii) subject to clause (i) above, (x) in the event that an item of Indebtedness (or any portion thereof) meets the criteria of more than one of the types of Indebtedness described above, the Issuer, in its sole discretion, will classify such item of Indebtedness (or any portion thereof) at the time of

Incurrence and may include the amount and type of such Indebtedness in one or more of the above clauses (including in part under one clause and in part under another such clause) and (y) the Issuer will be entitled to divide and re-classify an item of Indebtedness in more than one of the types of Indebtedness described above;

(iii) any other obligation of the obligor on such Indebtedness (or of any other Person who could have Incurred such Indebtedness under this covenant) arising under any guarantee, Lien, letter of credit, bankers' acceptance or other similar instrument or obligation securing or supporting such Indebtedness (other than such guarantee, Lien, letter of credit, bankers' acceptance or other similar instrument issued by the Issuer and securing or supporting Indebtedness of a Subsidiary) shall be disregarded to the extent that such guarantee, Lien, letter of credit, bankers' acceptance or other similar instrument or obligation secures or supports such Indebtedness; and

(iv) the amount of Indebtedness issued at a price that is less than the principal amount thereof shall be equal to the amount of the liability in respect thereof determined in accordance with IFRS.

For purposes of determining compliance with this covenant, the Euro Equivalent of the principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term Indebtedness, or first drawn, in the case of Indebtedness Incurred under a revolving credit facility; *provided* that (i) if such Indebtedness is Incurred to refinance other Indebtedness denominated in a currency other than euro, and such refinancing would cause the applicable euro-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such euro-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced; (ii) the Euro Equivalent of the principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date; and (iii) if any such Indebtedness is subject to a Currency Agreement with respect to the currency in which such Indebtedness is denominated covering principal, premium, if any, and interest on such Indebtedness, the amount of such Indebtedness and such interest and premium, if any, shall be determined after giving effect to all payments in respect thereof under such Currency Agreement. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuer and the Subsidiaries may Incur pursuant to this covenant shall not be deemed to be exceeded, with respect to any outstanding Indebtedness, solely as a result of fluctuations in the exchange rate of currencies.

***Limitation on Liens.***

The Indenture will provide that the Issuer will not, and will not permit any Subsidiary to, directly or indirectly, Incur or permit to exist any Lien on any of its properties (including Capital Stock of a Subsidiary), whether owned at the Issue Date or thereafter acquired, securing Indebtedness ("Initial Liens") other than Permitted Liens without effectively providing that the Notes shall be secured (i) equally and ratably with the Indebtedness so secured or (ii) if such Indebtedness is Subordinated Indebtedness, prior to the Subordinated Indebtedness so secured, for so long as such Indebtedness is so secured. Any Lien thereby created in favor of the holders of the Notes under this covenant will be automatically and unconditionally released and discharged upon (a) the release and discharge of the Initial Lien to which it relates or (b) any sale, exchange or transfer to any Person, which is not the Issuer or an Affiliate of the Issuer, of the property or assets secured by such Initial Lien or of all the Capital Stock of the entity holding such property or assets (or of a Person of which such entity is a Subsidiary), in each case, that is otherwise permitted by the Indenture (but only if all other Liens on the same property or assets that were required to be given under the terms of other Indebtedness as a result of the Initial Lien having been given or having arisen have also been, or upon such sale, exchange or transfer, would also be, unconditionally released and discharged).

***Reports and Other Information.***

As long as any Notes are outstanding, the Issuer will furnish to the holders of the Notes and to the Trustee:

(1) within 120 days after the end of the Issuer's fiscal year (beginning with the fiscal year ended December 31, 2025), annual reports, which shall contain the following information with a level of detail that is substantially comparable to the offering circular related to the issuance of the Notes on the Issue Date: (i) audited consolidated balance sheets of the Issuer as of the end of the two most recent fiscal years and audited consolidated income statements and statements of cash flow of the Issuer for the two most recent

fiscal years, including complete footnotes to such financial statements and the report of the independent statutory auditors on the financial statements; (ii) an operating and financial review of the audited financial statements, including a discussion of the results of operations, financial condition and liquidity and capital resources, and a discussion of material commitments and contingencies and critical accounting policies; (iii) a description of the business, management and shareholders of the Issuer, all material affiliate transactions and a description of all material new contractual arrangements, including material debt instruments (unless such contractual arrangements were described in a previous annual or semi-annual report, in which case the Issuer need describe only any material changes); and (iv) material risk factors relating to the business of the Issuer and material recent developments;

(2) within 45 days following the end of the first half-year period in each fiscal year of the Issuer (beginning with the half-year ending June 30, 2025), semi-annual reports containing the following information: (i) an unaudited condensed consolidated balance sheet of the Issuer as of the end of such period and unaudited condensed consolidated statements of income and cash flow of the Issuer for the semi-annual period ending on the unaudited condensed consolidated balance sheet date and the comparable prior year period, together with condensed footnote disclosure; (ii) an operating and financial review of the unaudited financial statements, including a discussion of the results of operations, financial condition and liquidity and capital resources, and a discussion of changes in material commitments and contingencies and changes in critical accounting policies; and (iii) material recent developments;

(3) quarterly consolidated sales data of the Issuer for each of the first and third quarter of each fiscal year of the Issuer, in each case not later than 60 days after the end of the relevant quarter; and

(4) promptly after the occurrence of a material acquisition or disposition, any restructuring of the Issuer and its Subsidiaries, taken as a whole, any change in the Chief Executive Officer, Chief Financial Officer or any Executive Vice President of the Issuer, any change in auditors or any other material event that the Issuer announces publicly, a report containing a description of such event.

At the same time as it delivers the financial statements referred to in clause (1) above, the Issuer shall deliver to the Trustee an Officer's Certificate certifying its compliance with the Indenture and that no Default or Event of Default has occurred or if it has, giving detail of such Default or Event of Default. The Trustee shall have no obligation to read or analyze any information or report delivered to it under this covenant and shall have no obligation to determine whether any such information or report complies with the provisions of this covenant and shall not be deemed to have notice of anything disclosed therein and shall incur no liability by reason thereof.

The Issuer will also make available copies of all information and reports required by this covenant on its website. Notwithstanding the foregoing, the Issuer will be deemed to have provided such information and reports to the holders of the Notes and prospective holders of the Notes if such information referenced above in clauses (1), (2), (3) and (4) above has been posted on the Issuer's website.

Delivery of any information, documents and reports to the Trustee pursuant to this covenant is for informational purposes only and the Trustee's receipt of such shall not constitute actual or constructive notice of any information contained herein, including the Issuer's compliance with any of its covenants under the Indenture (as to which the Trustee may conclusively rely upon Officer's Certificates).

***Limitation on Issuances of Guarantees of Indebtedness.***

The Indenture will provide that the Issuer will not cause or permit any Subsidiary to guarantee (whether directly or indirectly) any Indebtedness of the Issuer (other than the Notes but including, for the avoidance of doubt, Indebtedness under any Credit Facility Incurred pursuant to clause (a) of the second paragraph under the caption "—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and without limitation, unless (x) the Issuer simultaneously causes such Subsidiary to provide, by way of a supplemental indenture, a guarantee of the Notes on a substantially identical basis and ranking senior to or *pari passu* with such Subsidiary's guarantee of such other Indebtedness of the Issuer, which guarantee of the Notes shall be legally valid and enforceable to at least the same degree as such guarantee of other Indebtedness of the Issuer and shall be in effect for so long as such Subsidiary's guarantee of such other Indebtedness of the Issuer remains in effect, and (y) with respect to any guarantee of Subordinated Indebtedness of the Issuer by such Subsidiary, any such guarantee shall be subordinated to such Subsidiary's guarantee with respect to the Notes at least to the same extent as such Subordinated Indebtedness is subordinated to the Notes. Any guarantee by a

Subsidiary of the Notes that is required by the immediately preceding sentence may, as necessary, be subject to any limitation under applicable law (including, without limitation, laws relating to maintenance of share capital, corporate benefit, fraudulent conveyance or transfer, transactions under value, voidable preference and financial assistance), *provided* that such limitation also applies to such guarantee of such other Indebtedness of the Issuer to at least the same extent as it applies to such guarantee of the Notes.

This covenant shall not be applicable to any guarantees by any Subsidiary: (i) that existed as of the Issue Date or at the time such Person became a Subsidiary if the guarantee was not Incurred in connection with, or in contemplation of, such Person becoming a Subsidiary; or (ii) given to a bank or trust company or other financial institution referred to in clause (ii) of the definition of Cash Equivalents in respect of or in connection with the operation of cash management or pooling programs or treasury arrangements or similar arrangements established for the Issuer's benefit or that of any member of the Group.

Notwithstanding the foregoing, the Issuer shall not be obliged to cause such Subsidiary to guarantee the Notes pursuant to this covenant to the extent that such guarantee by such Subsidiary would reasonably be expected to give rise to or result in a violation of applicable law which, in any case, cannot be prevented or otherwise avoided through measures reasonably available to the Issuer or the Subsidiary or any liability for the officers, directors or shareholders of such Subsidiary. In the event that the Issuer shall seek, pursuant to the immediately preceding sentence, to cause or permit a Subsidiary to guarantee Indebtedness of the Issuer without such Subsidiary being obliged to guarantee the Notes (and prior to the issuance of such guarantee), the Issuer will deliver to the Trustee an Officer's Certificate to the effect that either (i) such Subsidiary cannot prevent or avoid a violation of applicable law that would reasonably be expected to arise or result from the giving of a guarantee by measures reasonably available to it or such Subsidiary or (ii) the giving of the guarantee by a Subsidiary would reasonably be expected to give rise to liability for the officers, directors or shareholders of such Subsidiary, and the Trustee shall accept such Officer's Certificate as sufficient evidence thereof without further inquiry or liability to the holders of the Notes or any other Person in respect thereof.

Any additional guarantee created for the benefit of the holders of the Notes pursuant to this covenant will automatically and unconditionally be released under the same conditions and circumstances that the guarantee of the other Indebtedness of the Issuer that gave rise to the obligation to guarantee the Notes will be released, so long as no Event of Default would otherwise arise as a result and no other Indebtedness of the Issuer is at that time guaranteed by the relevant Subsidiary.

***Limitation on Business Activities.***

The Indenture will provide that the Issuer will not, and will not permit any of its Subsidiaries to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Issuer and its Subsidiaries taken as a whole.

***Payments for Consent.***

The Indenture will provide that the Issuer will not, and will not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of the Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid and is paid to all holders of the Notes that consent, waive or agree to amend in the time frame set out in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, the Issuer and its Subsidiaries shall be permitted, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes, to exclude holders of Notes in any jurisdiction where (i) the solicitation of such consent, waiver or amendment, including in connection with an offer to purchase for cash, or (ii) the payment of the consideration therefor (A) would require the Issuer or any of its Subsidiaries to file a registration statement, prospectus or similar document under any applicable securities laws (including, but not limited to, the United States federal securities laws and the laws of the European Union or its member states), in each case, which the Issuer reasonably determines (acting in good faith) would be materially burdensome or (B) would otherwise not be permitted under applicable law in such jurisdiction.

***Maintenance of Listing.***

The Indenture will provide that the Issuer will use its commercially reasonable efforts to maintain the listing of the Notes on the Global Exchange Market of Euronext Dublin (the "GEM") for so long as such Notes are

outstanding; *provided* that if at any time the Issuer determines that it is unable to list or it can no longer reasonably comply with the requirements for listing the Notes on the GEM or if maintenance of such listing becomes unduly onerous, it will not be obliged to maintain a listing of the Notes on the GEM and will use its commercially reasonable efforts to obtain and maintain a listing of such Notes on another recognized stock exchange in Europe.

**Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets**

The Indenture will provide that the Issuer shall not, in a single transaction or through a series of transactions, consolidate with or merge with or into any other Person, or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of the Issuer's properties and assets to any other Person or Persons.

The foregoing paragraph shall not apply if:

(1) at the time and immediately after giving effect to any such consolidation or merger, either (x) the Issuer shall be the continuing corporation or (y) the Person (if other than the Issuer) formed by or surviving any such consolidation or merger or to which such sale, assignment, conveyance, transfer, lease or other disposition of all or substantially all of the Issuer's properties and assets or all or substantially all of the properties and assets of the Issuer and of the Subsidiaries on a consolidated basis has been made (the "Surviving Entity"):

   (a) shall be a corporation duly organized and validly existing under the laws of France, any other member state of the European Union, Switzerland, the United States of America, any state thereof or the District of Columbia; and

   (b) expressly assumes the obligations of the Issuer under the Notes and the Indenture (pursuant to a supplemental indenture), and the Notes and the Indenture remain in full force and effect as so supplemented;

(2) immediately after giving effect to any such consolidation, merger, sale, assignment, transfer, lease or other disposition on a *pro forma* basis (and treating any Obligation of the Issuer or any Subsidiary incurred in connection with or as a result of such transaction or series of transactions as having been incurred by the Issuer or any Subsidiary at the time of such transaction), no Default or Event of Default shall have occurred and be continuing;

(3) immediately after giving effect to any such consolidation, merger, sale, assignment, transfer, lease or other disposition on a *pro forma* basis (on the assumption that such transaction or series of transactions occurred on the first day of the two-half-year period immediately prior to the consummation of such transaction or series of transactions for which internal financial statements of the Issuer are available, with the appropriate adjustments with respect to the transaction or series of transactions being included in such *pro forma* calculation):

   (a) the Issuer (or the Surviving Entity if the Issuer is not a continuing obligor under the Indenture and the Notes) could Incur at least €1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock"; or

   (b) the Fixed Charge Coverage Ratio of the Issuer (or if applicable, the Surviving Entity) would not be less than it was immediately prior to giving such *pro forma* effect to such transaction; and

(4) the Issuer or the Surviving Entity shall have delivered to the Trustee, in a form and substance reasonably satisfactory to the Trustee, an Officer's Certificate (attaching the computations to demonstrate compliance with sub-clauses (a) and (b) of clause (3) above) and an Opinion of Counsel, each stating that such consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposition, and if a supplemental indenture is required in connection with such transaction, such supplemental indenture, will comply with the requirements of the Indenture and such supplemental indenture has been duly authorized, executed and delivered by the Issuer and/or the Surviving Entity and constitutes a legal, valid, binding and enforceable obligation of each such party thereto, *provided* that in giving such opinion such counsel may rely on an Officer's Certificate as to compliance with the foregoing sub-clauses (a) and (b) of clause (3) above and as to matters of fact and such opinion may contain customary

assumptions and qualifications. No Opinion of Counsel shall be required for a consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposition described in the paragraph below.

The first paragraph of this covenant shall not apply to any transaction in which any Subsidiary consolidates with, merges into or transfers all or part of its assets to the Issuer (with the Issuer as the Surviving Entity thereof) and clauses (b) and (c) of the second paragraph of this covenant shall not apply if the Issuer consolidates or merges with or into or transfers all or substantially all its properties and assets to (x) an Affiliate of the Issuer that is incorporated or organized for the purpose of reincorporating or reorganizing the Issuer in another jurisdiction or changing its legal structure to another entity or (y) a Subsidiary of the Issuer so long as all assets of the Issuer and the Subsidiaries of the Issuer immediately prior to such transaction (other than Capital Stock of such Subsidiary) are owned by such Subsidiary and its Subsidiaries immediately after the consummation thereof.

In the case of any transaction complying with this covenant to which the Issuer is a party, the Surviving Entity shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture; *provided* that the predecessor Issuer shall not be relieved from its obligations to pay the principal and interest on the Notes in the case of a lease of all or substantially all of the assets of the Issuer and the Subsidiaries taken as a whole.

**Defaults**

An "*Event of Default*" will be defined in the Indenture as:

(1) a default in any payment of interest (including any Additional Amounts) on any Note when due, continued for 30 days;

(2) a default in the payment of principal or premium, if any, of any Note when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) the failure by the Issuer to comply with the covenants described under "—Change of Control" and "—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets" above;

(4) the failure by the Issuer to comply for 60 days after written notice from the Trustee, or the holders of at least 25% in aggregate principal amount of the Notes, with its covenants or other agreements contained in the Notes or the Indenture;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer or any of its Subsidiaries (or the payment of which is guaranteed by the Issuer or any of its Subsidiaries), whether such Indebtedness now exists or is created after the Issue Date, if that default:

(a) is caused by a failure to pay principal of such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "Payment Default"); or

(b) results in the acceleration of such Indebtedness prior to its Stated Maturity,

and, in each case, the principal amount outstanding of any such Indebtedness, together with the principal amount outstanding of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates €175 million or more;

(6) certain events of bankruptcy, insolvency or reorganization of the Issuer or a Significant Subsidiary (the "*bankruptcy provisions*");

(7) the rendering of any final judgment by a court of competent jurisdiction for the payment of money in an amount (net of any insurance or indemnity payments actually received in respect thereof prior to or within 60 days from the entry thereof, or to be received in respect thereof in the event any appeal thereof will be unsuccessful) in excess of €175 million against the Issuer or a Significant Subsidiary that is not discharged, or bonded or insured by a third Person, if such judgment or decree is not discharged, waived or stayed for a period of 60 consecutive days.; and

(8) any Note Guarantee of a Significant Subsidiary with respect to the Notes, to the extent provided pursuant to "—*Note Guarantees*," ceases to be in full force and effect (except as contemplated by the terms thereof) or any Note Guarantor that qualifies as a Significant Subsidiary denies or disaffirms its

obligations under the Indenture or any Note Guarantee with respect to the Notes and such Default continues for 10 days.

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

However, a default under clause (4) will not constitute an Event of Default until the Trustee or the holders of at least 25% in principal amount of Notes notify the Issuer of the default in writing and the Issuer does not cure such default within the time specified in clause (4) hereof after receipt of such notice.

If an Event of Default (other than a Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer) occurs with respect to the Notes and is continuing, the Trustee or the holders of at least 25% in principal amount of the Notes by notice to the Issuer may declare the principal of, premium, if any, and accrued but unpaid interest on all such Notes to be due and payable. Upon such a declaration, such principal, premium, if any, and interest will be due and payable immediately. If an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer occurs, the principal of, premium, if any, and interest on all Notes will become immediately due and payable without any declaration or other act on the part of the Trustee or any holders. Under certain circumstances, the holders of a majority in principal amount of the outstanding Notes may rescind any such acceleration with respect to Notes and its consequences.

In the event of any Event of Default specified in clause (5) of the first paragraph above, such Event of Default and all consequences thereof (excluding, however, any resulting payment default) will be annulled, waived and rescinded, automatically and without any action by the Trustee or the holders of Notes, and be of no further effect, if the Event of Default pursuant to clause (5) of the first paragraph above shall be remedied or cured by the Issuer or a Subsidiary or waived by the holders of the relevant Indebtedness within 60 days after such Event of Default arose and if (a) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (b) all existing Events of Default, except non-payment of principal, premium or interest on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the holders unless such holders have offered to the Trustee indemnity and/or security (including prefunding) satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no holder may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing,

(2) holders of at least 25% in principal amount of the outstanding Notes has requested the Trustee to pursue the remedy;

(3) such holders have offered the Trustee security (including prefunding) and/or indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security (including prefunding) and/or indemnity; and

(5) the holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

A Holder may not use the Indenture to prejudice the rights of another holder or to obtain a preference or priority over another Holder. In any event, the Trustee shall not be under any obligation to ascertain whether a Holders' actions are prejudicial to other Holders.

Subject to certain restrictions, the holders of a majority in principal amount of outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that is unduly prejudicial to the rights of any other holder or that would involve the Trustee in personal or financial liability. Prior to taking any action under the Indenture,

the Trustee will be entitled to indemnification and/or security (including prefunding) satisfactory to it in its sole discretion against all losses, liabilities and expenses caused by taking or not taking such action.

The Indenture will provide that if a Default occurs and is continuing and is actually known to the Trustee, the Trustee shall electronically deliver or first-class mail mailed to each holder's registered address, or in the case of Notes issued in global form, delivered in accordance with the rules and procedures of the applicable clearing system, to each holder of the Notes notice of the Default within the earlier of 90 days after it occurs or 30 days after it is actually known to a Responsible Officer of the Trustee or written notice of it is received by the Trustee. Except in the case of a Default in the payment of principal of, premium (if any) or interest on any Note, the Trustee may withhold notice if and so long as a Responsible Officer of the Trustee in good faith determines that withholding notice is in the interests of the holders of the Notes. In addition, the Issuer is required to deliver to the Trustee, within 120 days after the end of each fiscal year (commencing with the fiscal year ending December 31, 2025), a certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Issuer also is required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any event which would constitute certain Defaults, their status and what action the Issuer is taking or proposes to take in respect thereof.

**Amendments and Waivers**

Subject to certain exceptions, the Indenture may be amended with the consent of the holders of a majority in principal amount of the outstanding Notes and any past default or compliance with any provisions may be waived with the consent of the holders of a majority in principal amount of the outstanding Notes. However, without the consent of each holder of an outstanding Note affected, no amendment may, among other things:

(1) reduce the amount of Notes whose holders must consent to an amendment;

(2) reduce the rate of or extend the time for payment of interest on any Note;

(3) reduce the principal of or change the Stated Maturity of any Note;

(4) reduce the premium payable upon the redemption of any Note or change the time at which any Note may be redeemed as described under "—Optional Redemption" above;

(5) make any Note payable in money other than that stated in such Note;

(6) expressly subordinate the Notes or any applicable Note Guarantee to any other Indebtedness of the Issuer or any Note Guarantor;

(7) impair the legal right of any holder to receive payment of principal of, premium, if any, and interest on such holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such holder's Notes; or

(8) make any change in the amendment provisions which requires each holder's consent or in the waiver provisions;

With respect to the Notes, without the consent of any holder of the Notes, the Issuer and the Trustee may amend the Indenture to cure any ambiguity, omission, mistake, defect or inconsistency, to provide for the assumption by a Surviving Entity of the obligations of the Issuer under the Indenture and the Notes, to provide for the assumption by a Surviving Entity of the obligations of a Note Guarantor under the Indenture and the Note Guarantee, to provide for uncertificated Notes in addition to or in place of certificated Notes (*provided* that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code) as determined by the Issuer, to add a Note Guarantee with respect to the Notes, to make any change that would provide additional rights or benefits to the holders of the Notes or that does not adversely affect the legal rights of any such holder under the Indenture, to make changes relating to the transfer and legending of the Notes as permitted by the Indenture, to secure the Notes, to add to the covenants of the Issuer for the benefit of the holders of the Notes or to surrender any right or power conferred upon the Issuer or any Note Guarantor, to make any change that does not adversely affect the rights of any holder of the Notes in any material respect, to effect any provision of the Indenture to make certain changes to the Indenture to provide for the issuance of Additional Notes, to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof, to conform and evidence the release, termination and discharge of any Note Guarantee or Lien securing the Notes when such release, termination or discharge is permitted by the Indenture, or to conform the text of the Indenture, Note Guarantees or the Notes to any provision of this

"Description of the Notes" to the extent that such provision in this "Description of the Notes" was intended to be a verbatim recitation of a provision of the Indenture, Note Guarantee or the Notes.

The consent of the holders of Notes is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

After an amendment under the Indenture becomes effective, the Issuer is required to deliver electronically or mail to the holders of the Notes a notice briefly describing such amendment. However, the failure to give such notice to all holders of Notes entitled to receive such notice, or any defect therein, will not impair or affect the validity of the amendment.

For the avoidance of doubt, no amendment to, or deletion of, any of the covenants described under "—Certain Covenants" or "—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets" shall be deemed to impair or affect any legal rights of holders of the Notes to receive payment of principal of, or premium, if any, or interest on, the Notes on or after the due dates therefor.

**No Personal Liability of Directors, Officers, Employees, Managers and Stockholders**

No director, officer, employee, manager, incorporator or stockholder in the Issuer or any Subsidiary thereof, will have any liability for any obligations of the Issuer under the Notes, the Indenture, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the U.S. Federal securities laws.

**Transfer and Exchange**

A noteholder may transfer or exchange any Note in accordance with the Indenture. Upon any transfer or exchange, the applicable registrar or transfer agent, as applicable, may require a noteholder, among other things, to furnish appropriate endorsements and transfer documents and the Issuer may require a noteholder to pay any taxes required by law or permitted by the Indenture. The Issuer is not required to transfer or exchange any Note selected for redemption or to transfer or exchange any Note for a period of 15 days prior to a selection of Notes to be redeemed. The Notes will be issued in registered form and the registered holder of a Note will be treated as the owner of such Note for all purposes.

**Satisfaction and Discharge**

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration or transfer or exchange of the Notes, as expressly provided for in such Indenture) as to all outstanding Notes when:

(1) either (a) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust with the Trustee by the Issuer and thereafter repaid to the Issuer or discharged from such trust) have been delivered to the Trustee, the Paying Agent or the Registrar for cancellation or (b) all of the Notes (i) have become due and payable, (ii) will become due and payable at their stated maturity within one year or (iii) if redeemable at the option of the Issuer, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee or the Paying Agent in the name, and at the expense, of the Issuer, and the Issuer has irrevocably deposited or caused to be deposited with the Trustee or its designee funds in an amount sufficient to pay and discharge the entire Indebtedness on the Notes not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit together with irrevocable written instructions from the Issuer directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(2) the Issuer and/or the Note Guarantors have paid all other sums payable under the Indenture; and

(3) the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of such Indenture have been complied with.

**Defeasance**

The Issuer at any time may terminate all its obligations under the Notes and the Indenture with respect to the

holders of the Notes ("legal defeasance"), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain a registrar and paying agent in respect of the Notes. The Issuer at any time may terminate its obligations under the covenants described under "—Certain Covenants" for the benefit of the holders of the Notes, the operation of the cross acceleration provision, the bankruptcy provisions with respect to Significant Subsidiaries, the judgment default provision described under "—Defaults" and the undertakings and covenants contained under "—Change of Control" and "—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets" ("covenant defeasance") for the benefit of the holders of the Notes. If the Issuer exercises its legal defeasance option or its covenant defeasance option, each Note Guarantor will be released from all of its obligations with respect to its Note Guarantee of the Notes.

The Issuer may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect thereto. If the Issuer exercises its covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clause (3), (4), (5), (6), (7) or (8) under "—*Defaults*" or because of the failure of the Issuer to comply with clause (3) under "—*Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*."

In order to exercise its defeasance option, the Issuer must irrevocably deposit in trust (the "defeasance trust") with the Trustee or its designee for the benefit of holders of the Notes, money, European Government Obligations or a combination thereof, sufficient, in the case where any European Government Obligations are deposited, in the opinion of an Independent Financial Advisor, for the payment of principal, premium (if any) and interest on the Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of an Opinion of Counsel to the effect that the beneficial owners of such Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such deposit and defeasance and will be subject to U.S. Federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or change in applicable U.S. Federal income tax law after the date hereof).

**Concerning the Trustee**

Citibank, N.A., London Branch is the Trustee under the Indenture and Citibank, N.A., London Branch has been appointed by the Issuer as a registrar, transfer agent and Paying Agent with regard to the Notes.

**Governing Law**

The Indenture and the Notes will provide that it and they will be governed by, and construed in accordance with, the laws of the State of New York.

**Consent to Jurisdiction and Service**

In relation to any legal action or proceedings arising out of or in connection with the Indenture and the Notes the Trustee (in the case of clauses (1) and (2) below only), the Issuer (1) irrevocably submits to the jurisdiction of the federal and state courts in the Borough of Manhattan in the City, County and State of New York, United States, (2) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same, (3) designates and appoints Law Debenture as its authorized agent upon which process may be served in any such action or proceeding that may be instituted in any such court and (4) agrees that service of any process, summons, notice or document by U.S. registered mail addressed to such agent for service of process, with written notice of said service to such Person at the address of the agent for service of process set forth in the Indenture, shall be effective service of process for any such action or proceeding brought in any such court.

**Prescription**

There is no express term in the Indenture as to any time limit on the validity of claims of holders of Notes to interest and repayment of principal, but any such claims will be subject to any statutory limitation period prescribed under New York law.

**Notices**

So long as the Notes are listed on Euronext Dublin and traded on the GEM, notices to the holders thereof will be published either in a daily newspaper of general circulation in Ireland or on the website of Euronext Dublin.

All notices to the holders of the Notes regarding such Notes will be mailed to them at their respective addresses in the register or, as to any global note held on behalf of a clearing system, notices to the holders thereof may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders, and will be deemed to have been given on the fourth Business Day after the date of mailing.

**Currency Indemnity**

The euro is the sole currency of account and payment for all sums payable by the Issuer or any Note Guarantor under or in connection with the Notes, including damages. Any amount with respect to the Notes or the guarantees thereof received or recovered in a currency other than euros, whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or any Note Guarantor or otherwise by any noteholder or by the Trustee, in respect of any sum expressed to be due to it from the Issuer or any Note Guarantor will only constitute a discharge to the Issuer or any Note Guarantor to the extent of the euro amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that euro amount is less than the euro amount expressed to be due to the recipient or the Trustee under the Notes, the Issuer and each Note Guarantor will indemnify such recipient and/or the Trustee against any loss sustained by it as a result. In any event, the Issuer and each Note Guarantor will indemnify the recipient against the cost of making any such purchase. For the purposes of this currency indemnity provision, it will be prima facie evidence of the matter stated therein, for the holder of a, Note or the Trustee to certify (indicating the sources of information used) the loss it incurred in making any such purchase. These indemnities constitute a separate and independent obligation from the Issuer's and each Note Guarantor's other obligations, will give rise to a separate and independent cause of action, will apply irrespective of any waiver granted by any holder of Notes or the Trustee (other than a waiver of the indemnities set out herein) and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or to the Trustee. For the purposes of this indemnity, it will be sufficient for the Trustee or the holder, as applicable, to certify (indicating the sources of information used) that it would have suffered a loss had the actual purchase of euros been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of euros on such date had not been practicable due to current market conditions generally, on the first date on which it would have been practicable, it being required that the need for a change of date be certified in the manner mentioned above).

**Certain Definitions**

"**Acquired Debt**" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"**Affiliate**" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the possession, directly or indirectly, of the power to direct, or cause the direction of, the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have meanings correlative to the foregoing.

"**Applicable Premium**" means, with respect to any Note on any applicable redemption date, the greater of the following, as calculated by the Issuer:

(1) 1% of the then outstanding principal amount of the Notes; and

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of such Note at the First Call Date (the redemption price being set forth in the table appearing above under "*—Optional Redemption*") *plus* (ii) all required interest payments due on such Note through the First Call Date (excluding accrued but unpaid interest), computed using a discount rate equal to the Bund Rate, as of such redemption date plus 50 basis points; over

(b) the then outstanding principal amount of such Note.

For the avoidance of doubt, calculation of the Applicable Premium shall not be the duty or obligation of the Trustee, the Registrar, the Transfer Agent or the Principal Paying Agent.

"**Attributable Indebtedness**" in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value (discounted at the interest rate borne by the Notes, compounded annually) of the total Obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction (including any period for which such lease has been extended); *provided, however*, that if such Sale/Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation".

"**Average Life**" means, as of the date of determination, with respect to any Indebtedness, the quotient obtained by dividing:

(a) the sum of the products of the numbers of years from the date of determination to the dates of each successive scheduled principal payment of or redemption or similar payment with respect to such Indebtedness, multiplied by the amount of such payment by

(b) the outstanding principal amount of such Indebtedness.

"**Board of Directors**" means, for any Person, the board of directors or other governing body of such Person or, in either case, any committee thereof duly authorized to act on behalf of such board or other governing body. With respect to the Issuer, the "Board of Directors" means the Issuer's board of directors (*conseil d'administration*) or any committee thereof.

"**Bund Rate**" means, as of any redemption date of the Notes, the rate per annum equal to the semi-annual equivalent yield to maturity as of such date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

(a) "**Comparable German Bund Issue**" means the German *Bundesanleihe* security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to the First Call Date and that would be utilized at the time of selection, and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes and of a maturity most nearly equal to the period from the redemption date to the First Call Date; *provided, however*, that if the period from such redemption date to the First Call Date is not equal to the fixed maturity of the German *Bundesanleihe* security selected by such Reference German Bund Dealer, the Bund Rate shall be determined by linear interpolation (calculated to the nearest one-twelfth of a year) from the yields of German *Bundesanleihe* securities for which such yields are given, except that if the period from such redemption date to the First Call Date is less than one year, a fixed maturity of one year shall be used;

(b) "**Comparable German Bund Price**" means, with respect to any redemption date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(c) "**Reference German Bund Dealer**" means any dealer of German *Bundesanleihe* securities appointed by the Issuer in good faith; and

(d) "**Reference German Bund Dealer Quotations**" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuer in good faith of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its

principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany, time on the third business day in Germany preceding the redemption date.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which banking institutions are authorized or required by law to close in New York City, London, Dublin, Ireland, or Paris, France.

"**Capital Lease Obligation**" means an obligation that is required to be classified and accounted for as a capital or finance lease for financial reporting purposes in accordance with IFRS, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with IFRS; and the Stated Maturity thereof shall be the date of the last scheduled payment of rent or any other amount due under such lease without payment of a penalty.

"**Capital Stock**" of any Person means any and all shares, interests (including partnership interests), rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"**Cash Equivalents**" means any of the following: (i) securities issued or fully guaranteed or insured by the United States of America or a member state of the European Union or any agency or instrumentality of any thereof maturing within 360 days of the date of acquisition thereof; (ii) time deposit accounts, certificates of deposit, banker's acceptances and money market deposits (and similar instruments) with maturities of 12 months or less from the date of acquisition issued by a bank or trust company which is organized under, or authorized to operate as a bank or trust company under, (x) a member state of the European Union or of the United States of America or any state thereof, Canada or Switzerland (*provided* that such bank or trust company has capital, surplus and undivided profits aggregating in excess of U.S.$500.0 million (or the foreign currency equivalent thereof as of the date of the relevant investment) and whose long-term debt is rated at least "A3" by Moody's or at least "A-" by S&P or the equivalent rating category of another internationally recognized rating agency) or (y) any jurisdiction outside the European Union, the United States of America or any state thereof, Canada or Switzerland, *provided* that in the case of (y) such bank or trust company is either (a) a controlled Affiliate of a bank or trust company meeting the conditions of sub-clause (x) or (b) a bank or trust company (including successors thereto) which, at any time during the 12-month period preceding the Issue Date, has issued to the Issuer or any Subsidiary time deposit accounts, certificates of deposit, bankers' acceptance and money market deposits (and similar instruments) with maturities of 12 months or less from the date of acquisition; (iii) commercial paper of a corporation (other than the Issuer or its Affiliates), maturing not more than 270 days from the date of acquisition, rated at least "A2" or the equivalent thereof by S&P or at least "P2" or the equivalent thereof by Moody's (or, if at such time neither is issuing ratings, then a comparable rating of another nationally recognized rating agency), (iv) money market instruments, commercial paper or other short term obligations rated at least "A2" or the equivalent thereof by S&P or at least "P2" or the equivalent thereof by Moody's (or, if at such time neither is issuing ratings, then a comparable rating of another nationally recognized rating agency), (v) investments in money market funds subject to the risk limiting conditions of Rule 2a-7 or any successor rule of the SEC under the Investment Company Act of 1940, as amended and (vi) investments correlative in type, maturity and rating to any of the foregoing denominated in foreign currencies or at foreign institutions.

"**Commodities Agreement**" means, in respect of any Person, any commodity futures contract, forward contract, option or similar agreement or arrangement (including derivative agreements or arrangements), designed to protect such Person against, or manage such Person's exposure to, fluctuations in commodity or raw material prices.

"**Consolidated EBITDA**" means, with respect to the Issuer for any period, the Consolidated Net Income of the Issuer for such period, plus the following to the extent deducted in calculating such Consolidated Net Income, without duplication:

(a) provision for all taxes based on income, profits or capital, for the Issuer and its Subsidiaries, as determined on a consolidated basis in accordance with IFRS, for such period; plus

(b) the Fixed Charges of the Issuer and its Subsidiaries which are Subsidiaries for such period; plus

(c) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash charges and expenses (excluding any such non-cash charge or expense to the extent that it represents an accrual of or

reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) of such Person and its Subsidiaries for such period; plus

(d) any expenses or charges of the Issuer and its Subsidiaries related to any equity offering or issuance or Incurrence of Indebtedness permitted by the Indenture (whether or not consummated or Incurred); plus

(e) any unrealized foreign currency translation losses (including losses related to currency remeasurements of Indebtedness) of the Issuer and its Subsidiaries for such period, to the extent that such losses were taken into account in computing such Consolidated Net Income; minus

(f) any unrealized foreign currency translation gains (including gains related to currency remeasurements of Indebtedness) of the Issuer and its Subsidiaries for such period, to the extent that such gains were taken into account in computing such Consolidated Net Income; minus

(g) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with IFRS.

"**Consolidated Net Income**" means, for any period, the net income (loss) of the Issuer and its Subsidiaries for such period, determined on a consolidated basis in accordance with IFRS and before any reduction in respect of Preferred Stock dividends; *provided* that there shall not be included in such Consolidated Net Income:

(a) the net income (loss) of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting, except to the extent of the amount of dividends or similar distributions paid in cash to the Issuer or a Subsidiary of the Issuer;

(b) any net after-tax gain or loss realized upon the sale or other disposition of any asset of the Issuer or any Subsidiary (including pursuant to any Sale/Leaseback Transaction) that is not sold or otherwise disposed of in the ordinary course of business (as determined in good faith by the Board of Directors or a member of the senior management of the Issuer);

(c) any item classified as an extraordinary, unusual or a nonrecurring gain, loss or charge (including fees, expenses and charges associated with any acquisition, merger or consolidation after the Issue Date);

(d) the cumulative effect of a change in accounting principles;

(e) all deferred financing costs written off and premiums paid in connection with any early extinguishment of Indebtedness;

(f) the ineffective part of gains and losses from Hedging Obligations eligible for hedge accounting under IFRS, and the gains and losses from Hedging Obligations not eligible for hedge accounting under IFRS;

(g) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards to the extent otherwise included in Consolidated Net Income; and

(h) any impairment of goodwill.

"**Consolidated Senior Net Indebtedness**" means, with respect to the Issuer as of any date of determination, (1) the aggregate amount outstanding on such date of all Indebtedness Incurred by Subsidiaries of the Issuer (excluding Hedging Obligations entered into for bona fide hedging purposes and not for speculative purposes, as determined in good faith by a responsible financial or accounting Officer of the Issuer), less (2) (A) the amount of cash and Cash Equivalents that would be stated on the consolidated balance sheet of the Issuer and its Subsidiaries as of such date in accordance with IFRS and (B) €3,019.7 million (being the amount of additional liabilities that were recognized on the consolidated balance sheet of FORVIA as of December 31, 2024 following the adoption of IFRS 16 Leases).

"**Consolidated Senior Net Indebtedness Ratio**" means, as of any date of determination, the ratio of (1) the Consolidated Senior Net Indebtedness of the Issuer on such date to (2) the Consolidated EBITDA for the Issuer's most recently ended two fiscal half-years for which internal financial statements are available immediately preceding such date. In the event that the Issuer or any of its Subsidiaries incurs, assumes, guarantees, repays,

repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Preferred Stock or Disqualified Stock subsequent to the commencement of the two-half-year reference period for which the Consolidated Senior Net Indebtedness Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Senior Net Indebtedness Ratio is made (the "*Calculation Date*"), then the Consolidated Senior Net Indebtedness Ratio will be calculated giving *pro forma* effect (determined in good faith by a responsible accounting or financial officer of the Issuer) to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock or Disqualified Stock, and the use of the net proceeds therefrom, as if the same had occurred at the beginning of such two-half-year reference period; *provided, however*, that the *pro forma* calculation shall not give effect to (i) any Indebtedness Incurred on the Calculation Date pursuant to the provisions described in the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" or (ii) the discharge on the Calculation Date of any Indebtedness to the extent that such discharge results from the proceeds Incurred pursuant to the provisions described in the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*."

In addition, for purposes of calculating the Consolidated Senior Net Indebtedness Ratio:

(a) acquisitions that have been made by the Issuer or any of its Subsidiaries, including through mergers or consolidations, or by any Person or any of its Subsidiaries acquired by the Issuer or any of the Issuer's Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries, during the two-half-year reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (determined in good faith by a responsible accounting or financial officer of the Issuer) as if they had occurred on the first day of the two-half-year reference period;

(b) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(c) any Person that is a Subsidiary on the Calculation Date will be deemed to have been a Subsidiary at all times during such two-half-year period; and

(d) any Person that is not a Subsidiary on the Calculation Date will be deemed not to have been a Subsidiary at any time during such two-half-year period.

"**Consolidated Total Assets**" means (i) the total amount of the consolidated assets of the Issuer and its consolidated subsidiaries, as set forth as "Total assets" in the consolidated balance sheet of the Issuer, as of the end of the most recently completed fiscal half-year or full-year period for which the Issuer's internal financial statements are available less (ii) €30,271.3 million (being the amount of additional assets that were recognized as "Total assets" on the consolidated balance sheet of the Issuer as of December 31, 2024 following the adoption of IFRS 16 Leases).

"**Credit Facilities**" means one or more facilities or arrangements, in each case with one or more banks or other lenders or institutions providing for revolving credit loans, term loans, receivables financings (including, without limitation, through the sale of receivables to such institutions or to special purpose entities formed to borrow from such institutions against such receivables or the creation of any Liens in respect of such receivables in favor of such institutions), letters of credit or other Indebtedness, in each case, including all agreements, instruments and documents executed and delivered pursuant to or in connection with any of the foregoing, including but not limited to any notes and letters of credit issued pursuant thereto and any guarantee agreement, letter of credit applications and other guarantees, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured (including with respect to structural or contractual subordination), replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original banks, lenders or institutions or other banks, lenders or institutions or otherwise, and whether provided under any Senior Credit Facility or one or more other credit agreements, commercial paper programs or facilities, indentures, financing agreements or other Credit Facilities or otherwise). Without limiting the generality of the foregoing, the term "*Credit Facility*" shall include any agreement (i) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (ii)

adding Subsidiaries as additional borrowers or guarantors thereunder, (iii) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (iv) otherwise altering the terms and conditions thereof.

"**Currency Agreement**" means, in respect of any Person, any foreign exchange contract, currency swap agreement or other similar agreement or arrangement (including derivative agreements or arrangements) Incurred in the ordinary course of business, as to which such Person is a party or beneficiary.

"**Default**" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"**Disqualified Stock**" means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder) or upon the happening of any event:

(a) matures or is mandatorily redeemable (other than redeemable only for Capital Stock of such Person which is not itself Disqualified Stock) pursuant to a sinking fund Obligation or otherwise;

(b) is convertible or exchangeable at the option of the holder for Indebtedness or Disqualified Stock; or

(c) is mandatorily redeemable or must be purchased upon the occurrence of certain events or otherwise, in whole or in part;

in each case on or prior to 91 days after the Stated Maturity of the Notes; *provided, however*, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to purchase or redeem such Capital Stock upon the occurrence of a "change of control" occurring prior to 91 days after the Stated Maturity of the Notes shall not constitute Disqualified Stock if:

(a) the "change of control" provisions applicable to such Capital Stock are not more favorable to the holders of such Capital Stock than the terms applicable to the Notes under "—Change of Control"; and

(b) any such requirement only becomes operative after compliance with such terms applicable to the Notes, including the purchase of any Notes tendered pursuant thereto.

The amount of any Disqualified Stock that does not have a fixed redemption, repayment or repurchase price will be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were redeemed, repaid or repurchased on any date on which the amount of such Disqualified Stock is to be determined pursuant to the Indenture; *provided, however*, that if such Disqualified Stock could not be required to be redeemed, repaid or repurchased at the time of such determination, the redemption, repayment or repurchase price will be the book value of such Disqualified Stock as reflected in the most recent financial statements of such Person.

"**Equity Offering**" means any public or private sale of ordinary shares, preference shares or other Capital Stock of, or contribution to the capital of, the Issuer (excluding Disqualified Stock) (other than a registration statement on Form S-8 or otherwise relating to ordinary shares or common equity issued or issuable under any employee benefit plan).

"**European Government Obligations**" means any security that is (i) a direct obligation of Ireland, Belgium, the Netherlands, France, Germany or any country that is a member of the European Monetary Union on the date of the Indenture, for the payment of which the full faith and credit of such country is pledged or (ii) an obligation of a person controlled or supervised by and acting as an agency or instrumentality of any such country the payment of which is unconditionally guaranteed as a full faith and credit obligation by such country, which, in either case under the preceding clause (i) or (ii), is not callable or redeemable at the option of the issuer thereof.

"**Escrowed Proceeds**" means the proceeds from the offering of any debt securities or other Indebtedness paid into escrow accounts with an independent escrow agent on the date of the applicable offering or incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow accounts upon satisfaction of certain conditions or the occurrence of certain events. The term "Escrowed Proceeds" shall include any interest earned on the amounts held in escrow.

"**Euro Equivalent**" means, with respect to any monetary amount in a currency other than the euro, at any time of a determination thereof by the Issuer or the Trustee, the amount of euro obtained by converting such foreign currency involved in such computation into euro at the spot rate for the purchase of euro at such time with the

applicable foreign currency as published in The Financial Times in the "Currencies" section (or, if The Financial Times is no longer published, or if such information is no longer available in The Financial Times, such source as may be selected in good faith by the Issuer) on the date of such determination. Except as provided for under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock", whenever it is necessary to determine whether the Issuer has complied with any covenant in the Indenture or a Default has occurred and an amount is expressed in a currency other than euros, such amount will be treated as the Euro Equivalent determined as of the date such amount is initially determined in such currency.

"**European Union**" means the European Union and any member state of the United Kingdom, including member states prior to May 1, 2004 but excluding any country that became or becomes a member of the European Union on or after May 1, 2004.

"**Fair Market Value**" means the value that would be paid by a willing buyer to an unaffiliated willing seller in an arm's-length transaction not involving distress of either party, as determined in good faith by the Board of Directors or a member of the senior management of the Issuer.

"**Fitch**" means Fitch Ratings and its successors.

"**Fixed Charge Coverage Ratio**" means, for any specified period, the ratio of (1) the Consolidated EBITDA of the Issuer for such period to (2) the Fixed Charges of the Issuer for such period. In the event that the Issuer or any of its Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Preferred Stock subsequent to the commencement of the two-half-year reference period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect (determined in good faith by a responsible accounting or financial officer of the Issuer) to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock, and the use of the net proceeds therefrom, as if the same had occurred at the beginning of such two-half-year reference period; *provided, however,* that the *pro forma* calculation of Fixed Charges (other than for the purposes of calculation of the Fixed Charge Coverage Ratio under clause (f) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock") shall not give effect to (i) any Indebtedness Incurred on the Calculation Date pursuant to the provisions described in the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" or (ii) the discharge on the Calculation Date of any Indebtedness to the extent that such discharge results from the proceeds Incurred pursuant to the provisions described in the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*."

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(a) acquisitions that have been made by the Issuer or any of its Subsidiaries, including through mergers or consolidations, or by any Person or any of its Subsidiaries acquired by the Issuer or any of the Issuer's Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries, during the two-half-year reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (determined in good faith by a responsible accounting or financial officer of the Issuer) as if they had occurred on the first day of the two-half-year reference period;

(b) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(c) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the Issuer or any of its Subsidiaries following the Calculation Date;

(d) any Person that is a Subsidiary on the Calculation Date will be deemed to have been a Subsidiary at all times during such two-half-year period;

(e) any Person that is not a Subsidiary on the Calculation Date will be deemed not to have been a Subsidiary at any time during such two-half-year period; and

(f) if any Indebtedness bears a floating rate of interest and such Indebtedness is to be given *pro forma* effect, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

"**Fixed Charges**" means, with respect to any specified Person for any period, the sum, without duplication, of:

(a) the consolidated interest expense of such Person and its Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations (minus, with respect to Capital Lease Obligations, €624.6 million, being the amount of the related interest component that was recognized as interest expense on the consolidated income statement of the Issuer for the twelve months ended December 31, 2024 following the adoption of IFRS 16 Leases), Attributable Indebtedness and Purchase Money Indebtedness, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; plus

(b) the consolidated interest expense of such Person and its Subsidiaries that was capitalized during such period; plus

(c) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Subsidiaries or secured by a Lien on assets of such Person or one of its Subsidiaries, whether or not such guarantee or Lien is called upon; plus

(d) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of such Person or any of its Subsidiaries, other than dividends on Capital Stock payable solely in Capital Stock of the Issuer (other than Disqualified Stock) or to the Issuer or a Subsidiary of the Issuer, and (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with IFRS.

"**Group**" means the Issuer together with any entities which the Issuer accounts for under the full consolidation method of accounting under IFRS.

"**guarantee**" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise). The term "*guarantee*" used as a verb has a correlative meaning. The term "*guarantor*" shall mean any Person guaranteeing any Obligation.

"**Hedging Obligations**" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodities Agreement.

"**IFRS**" means International Financial Reporting Standards as in effect on the Issue Date, or, with respect to the reporting requirements set forth in "—Certain Covenants—Reports and Other Information", as in effect from time to time.

"**Incur**" or "**incur**" means to create, issue, assume, enter into a guarantee of, incur or otherwise become liable for; *provided, however,* that any Indebtedness of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at

the time it becomes a Subsidiary. The term "*Incurrence*" when used as a noun shall have a correlative meaning. Solely for purposes of determining compliance with the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*," the following will not be deemed to be the Incurrence of Indebtedness:

(a) amortization of debt discount or the accretion of principal with respect to a non-interest bearing or other discount security;

(b) the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument or the payment of regularly scheduled dividends on Capital Stock in the form of additional Capital Stock of the same class and with the same terms; and

(c) the Obligation to pay a premium in respect of Indebtedness arising in connection with the issuance of a notice of redemption or the making of a mandatory offer to purchase such Indebtedness.

"**Indebtedness**" means, with respect to any Person on any date of determination (without duplication):

(a) the principal of indebtedness of such Person for borrowed money;

(b) the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(c) all reimbursement obligations of such Person in respect of letters of credit or other similar instruments (the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit or other instruments plus the aggregate amount of drawings thereunder that have not then been reimbursed);

(d) all obligations of such Person to pay the deferred and unpaid purchase price of property (except (x) trade payables and accrued expenses Incurred by such Person in the ordinary course of business, (y) customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business and (z) deferred insurance premiums in the ordinary course of business), which purchase price is due more than one year after the date of placing such property in final service or taking final delivery and title thereto;

(e) all Capital Lease Obligations of such Person;

(f) all Attributable Indebtedness of such Person;

(g) the redemption, repayment or other repurchase amount of such Person with respect to any Disqualified Stock of such Person or any Preferred Stock of a Subsidiary of such Person (but excluding, in each case, any accrued dividends) (the amount of such obligation to be equal at any time to the maximum fixed involuntary redemption, repayment or repurchase price for such Capital Stock or, if less (or if such Capital Stock has no such fixed price), to the involuntary redemption, repayment or repurchase price therefor calculated in accordance with the terms thereof as if then redeemed, repaid or repurchased);

(h) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided* that the amount of Indebtedness of such Person shall be the lesser of (A) the Fair Market Value of such asset at such date of determination and (B) the amount of such Indebtedness of such other Persons;

(i) all guarantees by such Person of Indebtedness of other Persons, to the extent so guaranteed by such Person; and

(j) to the extent not otherwise included in this definition, net Hedging Obligations (*provided* that, for purposes of this clause (j), such term shall include Hedging Obligations entered into for speculative or non-speculative purposes) of such Person (the amount of any such obligation to be equal at any time to the greater of (x) the termination value of such agreement or arrangement giving rise to such Hedging Obligation that would be payable by such Person on such date and (y) the amount required under IFRS to be reflected on the balance sheet of such Person on such date),

if and to the extent any of the preceding items (other than items described under clauses (c), (f), (h), (i) and (j) above) would appear as a liability on a balance sheet (excluding the footnotes thereto) of the specified Person

prepared in accordance with IFRS.

The term "Indebtedness" shall not include:

(a) in connection with the purchase by the Issuer or any of its Subsidiaries of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided, however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 30 days thereafter;

(b) any contingent obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes;

(c) anything accounted for as an operating lease in accordance with IFRS; and

(d) obligations under or in respect of any Qualified Receivables Financing.

"**Independent Financial Advisor**" means an accounting, appraisal or investment banking firm or consultant, in each case of nationally recognized standing, that is, in the good faith determination of the Issuer, qualified to perform the task for which it has been engaged.

"**Interest Rate Agreement**" means any non-speculative interest rate swap agreement, interest rate cap agreement or other financial agreement or arrangement with respect to exposure to interest rates Incurred in the ordinary course of business.

"**Issue Date**" means March 24, 2025, which is the date of original issuance of the Initial Notes.

"**Lien**" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind over one or more assets of any Person securing any Obligation of such Person (including any title transfer or other title retention agreement having a similar effect).

"**Moody's**" means Moody's Investors Service, Inc. and its successors.

"**Note Guarantee**" means any guarantee of the obligations of the Issuer under an Indenture and the Notes by any Person in accordance with the provisions of such Indenture.

"**Note Guarantor**" means any Person that Incurs a Note Guarantee; *provided* that upon the release or discharge of such Person from its Note Guarantee in accordance with the Indenture, such Person ceases to be a Note Guarantor under such Indenture.

"**Obligations**" means, with respect to any Indebtedness, all obligations for principal, premium, interest, penalties, fees, indemnifications, reimbursements and other amounts payable pursuant to the documentation governing such Indebtedness.

"**Officer**" means the Chairman of the Board of Directors, the Chief Executive Officer (*Directeur Général*), the Chief Financial Officer (*Directeur Financier*) or any other member of the Executive Committee of the Issuer.

"**Officer's Certificate**" means a certificate signed by one Officer.

"**Opinion of Counsel**" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. Such counsel may be an employee of or counsel to the Issuer.

"**Principal Paying Agent**" means the party named as such in the Indenture until a successor replaces it and, thereafter, means the successor.

"**Permitted Business**" means (i) any business, services or activities engaged in by the Issuer or any of its Subsidiaries on the Issue Date and any other business, services or activities in the transportation industry and (ii) any businesses, services and activities that are related, complementary, incidental, ancillary or similar to any of those described in clause (i) or are extensions or developments of any thereof.

"**Permitted Liens**" means, with respect to any Person:

(a) pledges, deposits or Liens in connection with pensions, workers' compensation, unemployment insurance and other social security and other similar legislation or other insurance-related obligations

(including, without limitation, pledges or deposits securing liability to insurance carriers under insurance or self-insurance arrangements);

(b) pledges, deposits or Liens to secure the performance of bids, tenders, trade, government or other contracts (other than for borrowed money), obligations for utilities, leases, licenses, statutory obligations, completion guarantees, surety, judgment, appeal or performance bonds, other similar bonds, instruments or obligations, and other obligations of a like nature incurred in the ordinary course of business;

(c) Liens imposed by law, such as carriers', warehousemen's, mechanics', landlords', material men's, repair men's or other like Liens, in each case for sums not overdue for a period of more than 60 days or that are bonded or that are being contested in good faith by appropriate proceedings and, with respect to which, to the extent required by IFRS, appropriate reserve or other provisions have been made, or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with a good faith appeal or other proceedings for review and, to the extent required by IFRS, with respect to which appropriate reserve or other provisions have been made in respect thereof, and Liens arising solely by virtue of any statutory or common law provision relating to banker's Liens, rights of set off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution;

(d) Liens for taxes, assessments or other governmental charges not yet delinquent or the non-payment of which in the aggregate would not reasonably be expected to have a material adverse effect on the Issuer and its Subsidiaries or that are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Issuer or a Subsidiary thereof, as the case may be, in accordance with IFRS;

(e) Liens in favor of issuers of surety bonds or letters of credit issued pursuant to the request of and for the account of such Person in the ordinary course of its business; *provided, however*, that such letters of credit do not constitute Indebtedness for borrowed money;

(f) filing of Uniform Commercial Code financing statements under U.S. state law (or similar filings under other applicable jurisdictions) in connection with operating leases in the ordinary course of business;

(g) bankers' Liens, rights of setoff or similar rights and remedies as to deposit accounts, Liens arising out of judgments or awards not constituting an Event of Default and notices of lis pendens and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(h) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(i) Liens securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities;

(j) any interest or title of a lessor under any operating lease;

(k) easements (including reciprocal easement agreements), rights of way, building, zoning and similar restrictions, utility agreements, covenants, reservations, restrictions, encroachments, charges and other similar encumbrances or title defects incurred, or leases or subleases granted to others, in the ordinary course of business, which do not in the aggregate materially interfere with the ordinary conduct of the business of the Issuer and its Subsidiaries, taken as a whole;

(l) Liens on property or shares of Capital Stock of another Person at the time such other Person becomes a Subsidiary of such Person; *provided, however*, that such Liens were not Incurred in contemplation of such acquisition and the Liens may not extend to any other property owned by such Person or any of its Subsidiaries (other than assets and property affixed or appurtenant thereto);

(m) Liens on property at the time such Person or any of its Subsidiaries acquires the property, including any acquisition by means of a merger or consolidation with or into such Person or a Subsidiary of such Person; *provided, however*, that such Liens were not Incurred in contemplation of such acquisition and the Liens may not extend to any other property owned by such Person or any of its

Subsidiaries (other than assets and property affixed or appurtenant thereto);

(n) Liens securing (a) Hedging Obligations incurred in accordance with clause (g) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*," (b) Purchase Money Indebtedness or Capital Lease Obligations incurred in accordance with clause (k) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" and covering only the assets acquired or leased with or financed by the proceeds of such Purchase Money Indebtedness or Capital Lease Obligations and (c) Indebtedness of a Subsidiary incurred in accordance with clause (n) of the second paragraph of the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and covering only the assets of such Subsidiary;

(o) Liens on property or assets of a Subsidiary to secure Indebtedness of such Subsidiary only, and that is permitted to be Incurred pursuant to the covenant described under "—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock";

(p) Liens existing on, or provided for under written arrangements existing on, the Issue Date;

(q) Liens (a) arising out of judgments, decrees, orders or awards (not otherwise giving rise to a Default) in respect of which the Issuer shall in good faith be prosecuting an appeal or proceedings for review, which appeal or proceedings shall not have been finally terminated, or if the period within which such appeal or proceedings may be initiated shall not have expired; and (b) leases, subleases, licenses or sublicenses of property and assets to third parties;

(r) Liens (a) created for the benefit of (or to secure) the Notes or (b) in favor of the Issuer or any Subsidiary;

(s) [Reserved];

(t) any encumbrance or restriction (including, but not limited to, put and call agreements) with respect to Capital Stock of any joint venture, including any Qualified Joint Venture, or similar arrangement pursuant to any joint venture or similar agreement;

(u) Liens securing Refinancing Indebtedness Incurred in respect of any Indebtedness secured by, or securing any refinancing, refunding, extension, renewal or replacement (in whole or in part) of any other obligation secured by, any other Permitted Liens, *provided* that any such new Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the obligations to which such Liens relate;

(v) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(w) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods or assets entered into in the ordinary course of business;

(x) Liens on Securitization Assets and related assets Incurred in connection with any Qualified Receivables Financing;

(y) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(z) any extension, renewal, refinancing or replacement, in whole or in part, of any Lien described in the foregoing clauses (a) through (y), *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the Indebtedness being refinanced;

(aa) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other

Indebtedness (or the underwriters or arrangers thereof) or on cash set aside at the time of the incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in escrow accounts or similar arrangement to be applied for such purpose; and

(bb) Liens on property or assets of the Issuer to secure obligations of the Issuer in an aggregate amount at any time outstanding not to exceed the greater of €1,250 million and 4.0% of Consolidated Total Assets.

For purposes of this definition, the term "Indebtedness" shall be deemed to include interest on such Indebtedness.

"**Person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"**Preferred Stock**", as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated), including "*actions de préférence*" issued under French law, that by its terms is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"**Purchase Money Indebtedness**" means any Indebtedness (including Capital Lease Obligations) Incurred to finance the acquisition, leasing, construction, addition or improvement of property (real or personal) or assets, and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets or otherwise.

"**Qualified Joint Venture**" means any entity in which the Issuer or any Subsidiary owns 50.0% or less of the Capital Stock and that, directly or through Subsidiaries, is engaged in a Permitted Business.

"**Qualified Receivables Financing**" means any financing pursuant to which the Issuer or any of its Subsidiaries may sell, convey or otherwise transfer to any other Person or grant a security interest in, any accounts receivable (and related assets) in any aggregate principal amount equal to the Fair Market Value of such accounts receivable (and related assets), whether now existing or arising in the future, of the Issuer or any of its Subsidiaries; *provided* that (a) the covenants, events of default and other provisions applicable to such financing shall be customary for such transactions and shall be on market terms (as determined in good faith by a responsible accounting officer of the Issuer) at the time such financing is entered into, (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by a responsible accounting officer of the Issuer) at the time such financing is entered into and (c) such financing shall be non-recourse to the Issuer or any of its Subsidiaries except to the extent customary for such transactions.

"**refinance**" means, in respect of any Indebtedness, to refinance, extend, renew, refund, repay, prepay, purchase, redeem, substitute, supplement, reissue, restate, amend, defease or retire, or to issue other Indebtedness in exchange or replacement for, such Indebtedness. The terms "*refinanced*" and "*refinancing*" shall have correlative meanings.

"**Refinancing Indebtedness**" means Indebtedness that is Incurred to refinance any Indebtedness existing on the Issue Date or Incurred in compliance with the Indenture (including Indebtedness of the Issuer that refinances Indebtedness of any Subsidiary, to the extent permitted in the Indenture); *provided* that (1) if the Indebtedness being refinanced (the "*Refinanced Indebtedness*") is Subordinated Indebtedness, then such Refinancing Indebtedness, by its terms, shall be subordinate in right of payment to the Notes, as applicable, at least to the same extent as the Refinanced Indebtedness was so subordinated, (2) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the sum of (x) the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Refinanced Indebtedness, plus (y) accrued and unpaid interest thereon plus (z) fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such Refinancing Indebtedness, (3) such Refinancing Indebtedness (x) has a final maturity date that is either (i) no earlier than the final maturity date of the Indebtedness being refinanced or (ii) after the final maturity date of the Notes and (y) has an Average Life as of the date of its Incurrence that is equal to or greater than the Average Life of the Refinanced Indebtedness and (4) Refinancing Indebtedness shall not include Indebtedness

of a Subsidiary that refinances Indebtedness of the Issuer.

"**Responsible Officer of the Trustee**" means:

(1) any officer within the corporate agency and trust department of the Trustee, including any managing director, director, vice president, assistant vice president, assistant secretary, assistant treasurer, associate, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such Person's knowledge of and familiarity with the particular subject; and

(2) who shall have direct responsibility for the administration of the Indenture.

"**S&P**" means S&P Global Ratings and its successors.

"**Sale/Leaseback Transaction**" means a financing arrangement relating to property owned by the Issuer or a Subsidiary on the Issue Date or thereafter acquired by the Issuer or a Subsidiary whereby the Issuer or a Subsidiary transfers such property to a Person and the Issuer or a Subsidiary leases it from such Person.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Securitization Assets**" means any accounts receivable (and related assets), whether now existing or arising in the future, that are subject to a Qualified Receivables Financing.

"**Senior Credit Facilities**" means (i) the €1,500.0 million syndicated multi-currency revolving credit facility dated December 15, 2014 between the Issuer and BNP PARIBAS, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale, among others, as amended and restated on June 24, 2016, further amended and restated on June 15, 2018 and further amended and restated on May 28, 2021 and further amended on April 26, 2022 and further amended and restated on June 27, 2023; and (ii) the ¥30.0 billion term and revolving facility dated February 7, 2020 between the Issuer and Mizuho Bank, Ltd., MUFG Bank, Ltd. and Sumitomo Mitsui Banking Corporation Europe Limited, Paris Branch (and "*Senior Credit Facility*" means each of them).

"**Significant Subsidiary**" means any Subsidiary of the Issuer which meets any of the following conditions:

(a) the Issuer's and its other Subsidiaries' investments in and advances to the Subsidiary exceed 10.0% of the total assets of the Issuer and its Subsidiaries consolidated as of the end of the most recently completed fiscal year;

(b) the Issuer's and its other Subsidiaries' proportionate share of the total assets (after intercompany eliminations) of the Subsidiary exceeds 10.0% of the total assets of the Issuer and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or

(c) the Issuer's and its other Subsidiaries' share of the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle of the subsidiary exclusive of amounts attributable to any non-controlling interests exceeds 10.0% of such income of the Issuer and its Subsidiaries consolidated for the most recently completed fiscal year;

*provided, however*, that any Subsidiary of the Issuer, which, when aggregated with all other Subsidiaries of the Issuer that are not otherwise Significant Subsidiaries and as to which any event described in clause (6) of the definition of "Event of Default" has occurred, shall be deemed to constitute a Significant Subsidiary in accordance with the criteria set forth above.

"**Stated Maturity**" means, with respect to any security or indebtedness, the date specified in such security or indebtedness as the fixed date on which the payment of principal of such security or indebtedness is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase or repayment of such security at the option of the holder thereof upon the happening of any contingency).

"**Subordinated Indebtedness**" means, any Indebtedness of the Issuer (whether outstanding on the Issue Date or thereafter Incurred) that is expressly subordinated in right of payment to Indebtedness under the Notes pursuant to a written agreement.

"**Subsidiary**" means, with respect to any specified Person:

(a) any corporation, association, *société d'exercice libéral* or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); *provided* that any corporation, association or other business entity shall also be deemed to be a Subsidiary if and for so long as such corporation, association or other business entity is consolidated in the financial statements of such Person according to the full consolidation method in accordance with IFRS; and

(b) any partnership or limited liability company (other than entities covered by clause (a) of this definition) of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

Unless the context specifies otherwise, the term "Subsidiary" refers to a Subsidiary, whether direct or indirect, of the Issuer.

"**Trustee**" means the party named as such in the Indenture until a successor replaces it and, thereafter, means the successor.

"**Voting Stock**" means, at any time, all classes of Capital Stock of the Issuer then outstanding and normally entitled to vote in the Issuer's general shareholders' meetings.

## BOOK-ENTRY, DELIVERY AND FORM

### General

The Notes will initially be represented by one or more Notes in global form that together will represent the aggregate principal amount of such Notes.

The Notes sold outside the United States pursuant to Regulation S will initially be represented by one or more global notes in registered form without interest coupons attached (the "**Regulation S Global Notes**"). The Regulation S Global Notes will be deposited upon issuance with, and registered in the name of a nominee of the common depositary for, Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**").

The Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A will initially be represented by one or more global notes in registered form without interest coupons attached (the "**Rule 144A Global Notes**" and, together with the Regulation S Global Notes, the "**Global Notes**"). The Rule 144A Global Notes will be deposited upon issuance with, and registered in the name of a nominee of the common depositary for, Euroclear and Clearstream.

Ownership of interests in the Global Notes (the "**Book-Entry Interests**") will be limited to persons that have accounts with Clearstream or Euroclear (or with participants in Clearstream or Euroclear). Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Clearstream or Euroclear or their participants. The Book-Entry Interests in the Global Notes will be issued only in denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

For so long as any of the Notes are represented by the Global Notes, each person (other than another clearing system) who is for the time being shown in the records of Euroclear or Clearstream (as the case may be) as the holder of a particular aggregate principal amount of such Notes (each an "**Accountholder**") (in which regard any certificate or other document issued by Euroclear or Clearstream (as the case may be) as to the aggregate principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of such aggregate principal amount of such Notes (and the expression "Noteholders" and references to "holding of Notes" and to "holder of Notes" shall be construed accordingly) for all purposes other than with respect to payments on such Notes, the right to which shall be vested solely in the nominee for the relevant clearing system (the "**Relevant Nominee**") in accordance with and subject to the terms of the Global Notes. Each Accountholder must look solely to Euroclear or Clearstream, as the case may be, for its share of each payment made to the Relevant Nominee.

The Notes will be subject to certain transfer restrictions and certification requirements as set forth under "*Plan of Distribution*" and "*Transfer Restrictions*".

The Book-Entry Interests will not be held in definitive form. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, holders of Book-Entry Interests will not have the Notes registered in their names, will not receive physical delivery of the Notes in certificated form and will not be considered the registered owners or "holders" of Notes under the Indenture for any purpose.

Neither Euroclear nor Clearstream is under any obligation to perform or continue to perform the procedures referred to herein, and such procedures may be discontinued at any time. None of the Issuer, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar under the Indenture or any of their respective agents will have any responsibility or be liable for any aspect of the records relating to the Book-Entry Interests or for performance by Euroclear or Clearstream or their respective participants of their respective obligations under the rules and procedures governing their operations or the arrangements referred to herein.

**Depository Procedures**

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream (together, the "**Clearing Systems**") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that we believe to be reliable, but none of the Issuer or the Initial Purchasers takes any responsibility for the accuracy of this section. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer or any other party to the Indenture will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

***Clearing Systems***

Euroclear and Clearstream each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other. Euroclear and Clearstream customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

***Registration and Form***

Book-Entry Interests in the Notes held through Euroclear and Clearstream will be represented by the Global Notes registered in the name of a nominee of, and held by, a common depositary for Euroclear and Clearstream. As necessary, the Registrar will adjust the amounts of Notes on the Register for the accounts of Euroclear and Clearstream to reflect the amounts of Notes held through Euroclear and Clearstream, respectively. Beneficial ownership of Book-Entry Interests in Notes will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream.

The aggregate holdings of Book-Entry Interests in the Notes in Euroclear and Clearstream will be reflected in the book-entry accounts of each such institution. Euroclear or Clearstream, as the case may be, and every other intermediate holder in the chain to the beneficial owner of Book-Entry Interests in the Notes will be responsible for establishing and maintaining accounts for their participants and customers having interests in the Book-Entry Interests in the Notes. The Registrar will be responsible for maintaining a record of the aggregate holdings of Notes registered in the name of a nominee of the common depositary for Euroclear and Clearstream and/or, if individual certificates are issued in the limited circumstances described herein, holders of Notes represented by those individual certificates. Each paying agent will be responsible for ensuring that payments received by it from or on behalf of the Issuer for holders of Book-Entry Interests in the Notes holding through Euroclear and Clearstream are credited to Euroclear or Clearstream, as the case may be.

Holders of Book-Entry Interests in the Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear or Clearstream.

**Redemption of Global Notes**

In the event any Global Note, or any portion thereof, is redeemed, Euroclear or Clearstream (as the case may be) will distribute the same amount received by it in respect of the Global Note so redeemed to the holders of the Book-Entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by the relevant Clearing System in connection with the redemption of such Global Note (or any portion thereof).

**Payments on Global Notes**

The Issuer will make payments of amounts owing in respect of the Global Notes (including principal, premium, if any, interest, additional interest and additional amounts) to the relevant paying agent. The relevant paying agent will, in turn, make such payments to the order of common depositary (or its nominee) or a nominee for the relevant Clearing System, which will distribute such payments to participants in accordance with its procedures. The Issuer will make payments of all such amounts without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under "*Description of the Notes—Withholding Taxes*." If any such deduction or withholding is required to be made by applicable law or regulation or otherwise as described under "*Description of the Notes—Withholding Taxes*", then, to the extent described under "*Description of the Notes—Withholding Taxes*", the Issuer will pay additional amounts as may be necessary in order that the net amounts received by any holder of the Global Notes or owner of Book-Entry Interests after such deduction or withholding will equal the net amounts that such holder or owner would have otherwise received in respect of such Global Note or Book-Entry Interest, as the case may be, absent such withholding or deduction.

Payments of any amounts in respect of Notes represented by any Global Note (including principal, premium, if any, interest, additional interest and additional amounts) will be made upon presentation or, if no further payment falls to be made in respect of the Notes, against presentation and surrender of the Global Note to or to the order of a paying agent (or such other agent as shall have been notified to the holders of the Global Note for such purpose). Distributions of amounts with respect to Book-Entry Interests in the Global Note held through the Clearing Systems will be credited, to the extent received by a paying agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

Under the terms of the Indenture, the Issuer, the Trustee, the Principal Paying Agent, the Transfer Agent and the Registrar will treat the registered holders of the Global Notes as the owners thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee, the Principal Paying Agent, the Transfer Agent, the Registrar or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear or Clearstream, or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest, for any such payments credited to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures, or for maintaining, supervising or reviewing the records of Euroclear or Clearstream, or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest; or

- Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in "street name".

**Currency and payment for the Global Notes**

The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Global Notes will be paid to holders of interests in such Notes in euros.

Payments will be subject in all cases to any fiscal or other laws and regulations (including any regulations of the Clearing Systems) applicable thereto. None of the Issuer, the Trustee, the Principal Paying Agent, the Transfer Agent, the Registrar, the Initial Purchasers or any of their respective agents will be liable to any holder of a Global Note or any other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection with any such payment. Holders may be subject to foreign exchange risks that may have economic and tax consequences to them.

**Action by owners of Book-Entry Interests**

Euroclear and Clearstream have advised the Issuer that they will take any action permitted to be taken by a holder of Notes only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents or waivers or the taking of any other action in respect of the Global Notes. Nevertheless, if there is an event of default under the Notes, Euroclear and Clearstream reserve the right to exchange the Global Notes for Definitive Registered Notes in certificated form and to distribute such Definitive Registered Notes to their respective participants.

**Issuance of Definitive Registered Notes**

Under the terms of the Indenture, owners of Book-Entry Interests will receive definitive notes in registered form (the "**Definitive Registered Notes**") if:

1. Euroclear and/or Clearstream is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces that it is permanently to cease business or does in fact do so and no successor or alternative clearing system is available; or

2. Euroclear and/or Clearstream so requests following an Event of Default under the Indenture; or

3. the owner of a Book-Entry Interest requests such exchange in writing delivered through Euroclear and/or Clearstream following an event of default under the Indenture.

Euroclear and Clearstream have advised the Issuer that upon request by an owner of a Book-Entry Interest described in clause 3 listed immediately above, their current procedure is to request that we issue or cause to be issued Notes in definitive registered form to all owners of Book-Entry Interests.

In such an event, the Issuer will issue Definitive Registered Notes, registered in the name or names of holders and issued in any approved denominations, requested by or on behalf of the relevant Clearing System or the Issuer, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Definitive Registered Notes will bear the restrictive legend referred to in "*Transfer Restrictions*", unless that legend is not required by the Indenture or applicable law.

The Issuer will not be required to register the transfer or exchange of Definitive Registered Notes for a period of 15 calendar days preceding (i) the record date for any payment of interest on the applicable Notes, (ii) any date fixed for redemption of the applicable Notes or (iii) the date fixed for selection of the applicable Notes to be redeemed in part. Also, the Issuer is not required to register the transfer or exchange of any Notes selected for redemption or which the holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer (as defined in "*Description of the Notes*"). In the event of the transfer of any Definitive Registered Note, the Registrar, the Trustee or the Transfer Agent may require a holder, among other things, to furnish appropriate endorsements and transfer documents as described in the Indenture. The Issuer may require a holder to pay any taxes and fees required by law and permitted by the Indenture and the Notes.

If Definitive Registered Notes are issued and a holder thereof claims that any such Definitive Registered Notes has been lost, destroyed or wrongfully taken, or if any such Definitive Registered Note is mutilated and is surrendered to the Registrar, the Trustee, the Issuer or at the office of a Transfer Agent, the Issuer will issue and the Trustee or an Authenticating Agent appointed by the Trustee will authenticate a replacement Definitive Registered Note if the Trustee's, the Registrar's, the Transfer Agent's or the Issuer's, as applicable, requirements are met. The Issuer, the Registrar or the Trustee may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both to protect the Issuer, the Trustee, the Principal Paying Agent, the Transfer Agent or the Registrar appointed pursuant to the Indenture from any loss which any of them may suffer if a Definitive Registered Note is replaced. The Issuer, the Registrar and/or the Trustee may charge for any expenses incurred in replacing a Definitive Registered Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer pursuant to the provisions of the Indenture, the Issuer, in its discretion, may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

**Transfers**

Secondary market trades in the Notes will be settled by transfer of title to Book-Entry Interests in the Clearing Systems. Title to such Book-Entry Interests will pass by registration of the transfer within the records of Euroclear or Clearstream, as the case may be, in accordance with their respective procedures. Book-Entry Interests in the Notes may be transferred within Euroclear and within Clearstream and between Euroclear and Clearstream in accordance with procedures established for these purposes by Euroclear and Clearstream.

If a holder requires physical delivery of Definitive Registered Notes for any reason, including to sell the Notes to persons in states which require physical delivery of such securities or to pledge such securities, such holder must transfer its interest in the Global Notes in accordance with the normal procedures of the Clearing Systems and in accordance with the provisions of the Indenture.

The Rule 144A Global Notes will bear a legend to the effect set forth in "*Transfer Restrictions*." Book-Entry Interests in the Global Notes will be subject to the restrictions on transfer discussed in "*Transfer Restrictions.*"

Beneficial interests in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of a beneficial interest in the Regulation S Global Note of the same series only upon receipt by the Trustee or the Transfer Agent of a written certification (in the form provided in the Indenture) from the transferor to the effect that such transfer is being made in accordance with Regulation S or any other exemption (if available under the Securities Act).

Beneficial interests in a Regulation S Global Note may be transferred to a person who takes delivery in the form of a beneficial interest in the Rule 144A Global Note of the same series only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that the transfer is being made to a person who the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Transfers involving an exchange of a Book-Entry Interest in a Regulation S Global Note for a Book-Entry Interest in a 144A Global Note of the same series will be done by the Clearing Systems by means of an instruction originating from the Trustee or the Transfer Agent in accordance with the relevant Clearing System's rules and procedures. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the relevant Regulation S Global Note and a corresponding increase in the principal amount of the corresponding 144A Global Note. Any Book-Entry Interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a Book-Entry Interest in any other Global Note will, upon transfer, cease to be a Book-Entry Interest in the first mentioned Global Note and become a Book-Entry Interest in such other Global Note, and accordingly will thereafter be subject to all applicable transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Note for as long as it remains such a Book-Entry Interest.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note of the same series only as described under "*Description of the Notes—Transfer and Exchange*" and, if required, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "*Transfer Restrictions*."

**Global Clearance and Settlement under the Book-Entry System**

Application has been made to list the Notes on the Official List of Euronext Dublin and to admit the Notes for trading on the Global Exchange Market. The Issuer expects that the Book-Entry Interests will trade through

Clearstream or Euroclear or their participants and will settle in same-day funds. Since the sale determines the place of delivery, it is important to establish at the time of trading of any book-entry interests where the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date. The Issuer expects that secondary trading in any certificated Notes will also be settled in immediately available funds.

# TAXATION

The statements herein regarding taxation are based on the laws and regulations in force in the United States, European Union and the Republic of France as at the date of this Offering Memorandum and are subject to any change in law (including with retroactive effect) or to different interpretation. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of Notes should consult its own tax advisor as to the French or other tax consequences of any investment in, or ownership and disposition of, the Notes. Persons who are in doubt as to their tax position should consult a professional tax adviser.

## Certain Material United States Federal Income Tax Considerations

The following summary describes certain material U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes, but does not purport to be a complete analysis of all potential tax effects. Other than as set forth under "*—U.S. Foreign Account Tax Compliance,*" the summary is limited to consequences relevant to a U.S. Holder (as defined below). The summary does not address the effects of any U.S. federal tax laws other than U.S. federal income tax laws (such as estate and gift tax laws and the Medicare tax on net investment income) or any state, local or non-U.S. tax laws. This discussion is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), the final, temporary and proposed Treasury regulations promulgated thereunder, administrative pronouncements and judicial decisions, all as in effect on the date hereof and all of which are subject to change, possibly with retroactive effect. We have not requested, and will not request, a ruling from the U.S. Internal Revenue Service (the "**IRS**"), or an opinion of counsel, with respect to any of the U.S. federal income tax consequences described below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the Notes or that any such position would not be sustained.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to holders subject to special rules, such as:

- banks and other financial institutions,
- U.S. expatriates,
- insurance companies,
- dealers in securities or currencies,
- traders in securities that elect mark-to-market accounting for their securities holdings,
- U.S. Holders whose functional currency is not the U.S. dollar,
- tax exempt entities,
- regulated investment companies,
- real estate investment trusts,
- partnerships or other pass-through entities or arrangements and investors in such entities or arrangements,
- persons liable for any alternative minimum tax,
- a corporation that accumulated earnings to avoid U.S. federal income tax,
- U.S. Holders that hold the Notes through non-U.S. brokers or other non-U.S. intermediaries,
- persons holding the Notes as part of a "straddle," "hedge," "conversion transaction," "constructive sale" or other integrated transaction, or

- persons required to accelerate the recognition of any item of gross income as a result of such income being recognized on an "applicable financial statement."

In addition, this discussion is limited to U.S. Holders that purchase Notes for cash at original issuance and at their "issue price" (*i.e.*, the first price at which a substantial amount of the Notes is sold to the public for cash, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and who hold the Notes as capital assets within the meaning of Section 1221 of the Code (generally for investment).

For purposes of this discussion, a "U.S. Holder" means a beneficial owner of a Note that is, for U.S. federal income tax purposes:

(i) an individual who is a citizen or resident of the United States,

(ii) a corporation incorporated or organized under the laws of the United States or any political subdivision thereof or therein or the District of Columbia,

(iii) an estate the income of which is subject to U.S. federal income tax regardless of its source, or

(iv) a trust, if (a) it is subject to the primary supervision of a United States court and the control of one or more U.S. persons or (b) a valid election to be treated as a U.S. person is in effect.

The U.S. federal income tax treatment of a partner in a partnership or other pass-through entity or arrangement for U.S. federal income tax purposes that holds the Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships should consult their tax advisors concerning the U.S. federal income tax consequences to them and their partners of the purchase, ownership and disposition of the Notes by the partnership.

**Prospective purchasers of Notes should consult their tax advisors concerning the tax consequences of purchasing, owning or disposing of Notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of other U.S. federal, state, local, non-U.S. or other tax laws.**

***Characterization of the Notes***

In certain circumstances (see "*Description of the Notes—Redemption for Taxation Reasons*," "*Description of the Notes—Change of Control*," and "*Description of the Notes—Optional Redemption*") we may be obligated to redeem the Notes prior to maturity or to pay amounts on the Notes that are in excess of stated interest or principal on the Notes. These potential payments may implicate the provisions of U.S. Treasury regulations relating to "contingent payment debt instruments," but we do not intend to treat the possibility of such contingent payments on the Notes as subjecting the Notes to the contingent payment debt instrument rules. Our determination that the Notes are not subject to the contingent payment debt instrument rules is binding on a holder, unless such holder discloses its contrary position in the matter required by applicable U.S. Treasury regulations. It is possible that the IRS may take a different position, in which case, if such position is sustained, a U.S. Holder might be required to accrue ordinary interest income at a higher rate than the stated interest rate and to treat as ordinary income rather than capital gain any gain realized on the taxable disposition of the Notes. The remainder of this discussion assumes that the Notes will not be treated as contingent payment debt instruments. U.S. Holders are encouraged to consult their own tax advisors regarding the possible application of the contingent payment debt instrument rules to the Notes.

***Interest***

Payments of stated interest on the Notes (including any additional amounts and without reduction for any amounts withheld) will be includible in the gross income of a U.S. Holder as ordinary interest income at the time such payments are received or accrued, in accordance with such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. It is expected, and this discussion assumes, that the Notes will be issued without original issue discount for U.S. federal income tax purposes.

A U.S. Holder that uses the cash method of accounting for U.S. federal income tax purposes and that receives a payment of stated interest on the Notes will be required to include in income (as ordinary income) the U.S. dollar value of the foreign currency interest payment (translated at the spot rate of exchange on the date such payment is received) regardless of whether the payment is in fact converted to U.S. dollars at such time. A cash method U.S. Holder will not recognize foreign currency exchange gain or loss with respect to the receipt of such interest, but may recognize exchange gain or loss attributable to the actual disposition of the foreign currency so received.

A U.S. Holder that uses the accrual method of accounting for U.S. federal income tax purposes (or who otherwise is required to accrue interest prior to receipt) will be required to include in income (as ordinary income) the U.S. dollar value of the amount of stated interest income in foreign currency that has accrued with respect to its Notes during an accrual period. The U.S. dollar value of such foreign currency denominated accrued interest will be determined by translating such amount at the average spot rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average spot rate of exchange for the partial period within each taxable year. An accrual basis U.S. Holder may elect, however, to translate such accrued interest income into U.S. dollars at the spot rate of exchange on the last day of the interest accrual period or, with respect to an accrual period that spans two taxable years, at the spot rate of exchange on the last day of the taxable year. Alternatively, if the last day of an accrual period is within five business days of the date of receipt of the accrued interest, a U.S. Holder that has made the election described in the prior sentence may translate such interest at the spot rate of exchange on the date of receipt of the interest. The above election will apply to other debt instruments held by an electing U.S. Holder and may not be changed without the consent of the IRS. A U.S. Holder that uses the accrual method of accounting for U.S. federal income tax purposes will recognize exchange gain or loss with respect to accrued interest income on the date such interest is received. The amount of exchange gain or loss recognized will equal the difference, if any, between the U.S. dollar value of the foreign currency payment received (translated at the spot rate of exchange on the date such interest is received) in respect of such accrual period and the U.S. dollar value of the interest income that has accrued during such accrual period (as determined above), regardless of whether the payment is in fact converted to U.S. dollars at such time. Any such exchange gain or loss generally will constitute ordinary income or loss and be treated, for foreign tax credit purposes, as U.S. source income or loss, and generally not as an adjustment to interest income or expense. U.S. Holders should consult their tax advisors regarding how to account for interest payments made in a foreign currency with respect to a Note and the disposition of such foreign currency.

Stated interest on a Note will constitute foreign source income and generally will be considered "passive category income" in computing the foreign tax credit allowable to U.S. Holders under U.S. federal income tax laws. Subject to generally applicable restrictions and conditions, a U.S. Holder may be entitled to a foreign tax credit in respect of any foreign income taxes withheld on interest payments on the Notes. Alternatively, a U.S. Holder that elects to deduct rather than credit all such foreign taxes for the relevant taxable year may be able to deduct such taxes in computing taxable income for U.S. federal income tax purposes. The rules governing the foreign tax credit are complex and recently issued final U.S. Treasury Regulations have imposed additional requirements that must be met for a foreign tax to be creditable (in particular, with respect to U.S. holders not entitled to, or not electing to apply, treaty benefits). Recent notices from the IRS indicate that the Treasury and the IRS are considering proposing amendments to the applicable U.S. Treasury Regulations and allow taxpayers, subject to certain conditions, to defer the application of many aspects of such regulations until the date when a notice or other guidance withdrawing or modifying this temporary relief is issued (or any later date specified in such notice or other guidance). U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit or a deduction for foreign taxes paid under their particular circumstances.

***Sale, Exchange, Retirement, Redemption or Other Taxable Disposition of Notes***

Upon the sale, exchange, retirement, redemption or other taxable disposition of a Note, a U.S. Holder generally will recognize taxable gain or loss equal to the difference, if any, between (i) the amount realized upon such sale, exchange, retirement, redemption or other taxable disposition (other than any amount equal to any accrued but unpaid stated interest, which, if not previously included in such U.S. Holder's income, will be taxable as ordinary interest income as discussed above) and (ii) such U.S. Holder's adjusted tax basis in the Note. A U.S. Holder's adjusted tax basis in a Note will generally equal the amount such U.S. Holder paid for such Note. The cost of a Note purchased with foreign currency will generally be the U.S. dollar value of the foreign currency purchase price translated at the spot rate on the date of purchase. If the Note is treated as traded on an established

securities market and the relevant U.S. Holder is either a cash basis taxpayer or an accrual basis taxpayer who has made the special election described below, such U.S. Holder will determine the U.S. dollar value of the cost of such Note by translating the amount paid at the spot rate of exchange on the settlement date of the purchase.

If a U.S. Holder receives foreign currency on such a sale, exchange, retirement, redemption or other taxable disposition of a Note, the amount realized generally will be based on the U.S. dollar value of such foreign currency translated at the spot rate of exchange on the date of disposition. In the case of a Note that is considered to be traded on an established securities market, a cash basis U.S. Holder and, if it so elects, an accrual basis U.S. Holder, will determine the U.S. dollar value of such foreign currency by translating such amount at the spot rate of exchange on the settlement date of the disposition. The special election available to accrual basis U.S. Holders in regard to the purchase or disposition of Notes traded on an established securities market must be applied consistently to all debt instruments held by the U.S. Holder and cannot be changed without the consent of the IRS. An accrual basis U.S. Holder that does not make the special election will recognize foreign currency exchange gain or loss to the extent that there are exchange rate fluctuations between the disposition date and the settlement date, and such gain or loss generally will constitute U.S. source ordinary income or loss.

Gain or loss recognized upon the sale, exchange, retirement, redemption or other taxable disposition of a Note that is attributable to fluctuations in currency exchange rates with respect to the principal amount of such Note generally will be U.S. source ordinary income or loss and generally will not be treated as interest income or expense. Such gain or loss generally will equal the difference, if any, between the U.S. dollar value of the U.S. Holder's foreign currency purchase price for the Note, translated at the spot rate of exchange on the date principal is received from the Issuer or the U.S. Holder disposes of the Note, and the U.S. dollar value of the U.S. Holder's foreign currency purchase price for the Note, translated at the spot rate of exchange on the date the U.S. Holder purchased such Note. In addition, upon the sale, exchange, retirement, redemption or other taxable disposition of a Note, a U.S. Holder may recognize foreign currency exchange gain or loss attributable to amounts received with respect to accrued and unpaid stated interest which will be treated as discussed above under "—Interest". However, upon a sale, exchange, retirement, redemption or other taxable disposition of a Note, a U.S. Holder will recognize any foreign currency exchange gain or loss (including with respect to accrued and unpaid interest) only to the extent of total gain or loss realized by such U.S. Holder on such disposition.

Any gain or loss recognized upon the sale, exchange, retirement, redemption or other taxable disposition of a Note in excess of foreign currency exchange gain or loss attributable to such disposition generally will be U.S. source gain or loss and generally will be capital gain or loss. Capital gains of non-corporate U.S. Holders (including individuals) derived in respect of capital assets held for more than one year are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

U.S. Holders should consult their tax advisors regarding how to account for payments made in a foreign currency with respect to the acquisition, sale, exchange, retirement or other taxable disposition of a Note and the disposition of foreign currency received upon a sale, exchange, retirement or other taxable disposition of a Note.

***Tax return disclosure requirements***

U.S. Holders who are individuals and who own "specified foreign financial assets" with an aggregate value in excess of certain minimum thresholds at any time during the tax year generally are required to file an information report (IRS Form 8938) with respect to such assets with their tax returns. The Notes generally will constitute specified foreign financial assets subject to these reporting requirements, unless the Notes are held in an account at certain financial institutions. Under certain circumstances, an entity may be treated as an individual for purposes of these rules. U.S. Holders should consult their tax advisors regarding the application of the foregoing disclosure requirements to their ownership of the Notes, including the significant penalties for non-compliance.

U.S. Treasury regulations require the reporting to the IRS of certain foreign currency transactions giving rise to losses in excess of a certain minimum amount, such as the receipt or accrual of interest on or a sale, exchange, retirement, redemption or other taxable disposition of a foreign currency note or foreign currency received in respect of a foreign currency note. U.S. Holders should consult their tax advisors to determine the tax return disclosure obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

***Information Reporting and Backup Withholding***

In general, information reporting requirements will apply to payments of interest on the Notes and to the proceeds from the sale or other disposition (including a retirement or redemption) of a Note paid to a U.S. Holder unless such U.S. Holder is an exempt recipient and, when required, provides evidence of such exemption. Backup withholding may apply to such payments if the U.S. Holder fails to provide a taxpayer identification number or a certification that it is not subject to backup withholding and otherwise comply with any applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

Prospective purchasers of Notes are urged to consult their own tax advisors regarding their qualification for an exemption from backup withholding and information reporting and the procedures for obtaining such an exemption, if applicable.

***U.S. Foreign Account Tax Compliance***

Sections 1471 through 1474 of the U.S. Internal Revenue Code, as amended (provisions commonly known as "**FATCA**"), impose information reporting and withholding requirements with respect to certain holders of financial accounts. Non-U.S. financial institutions (as defined for purposes of FATCA) generally will be subject to a 30% withholding tax unless (i) they have entered into agreements with the U.S. Internal Revenue Service (the "**IRS**") to identify financial accounts held by United States persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime or (ii) the country or countries in which they are resident enter into an intergovernmental agreement ("**IGA**") relating to FATCA with the United States (or an IGA with another jurisdiction becomes applicable) and they report information about direct and certain indirect U.S. investors to the IRS or the applicable IGA country authorities. If neither (i) nor (ii) applies to a non-U.S. financial institution, the withholding tax will be imposed regardless of whether such non-U.S. financial institution is receiving the payment for its own account, for the account of a direct customer or is acting as an intermediary to pass along the payment to another party. FATCA is particularly complex and likely will require compliance by financial institutions and various other intermediaries through which a holder of Notes may hold a Note.

Investors that are not financial institutions for purposes of FATCA may be required to provide information to establish whether they are U.S. holders of Notes or substantially owned by United States persons in order to establish they are exempt from withholding pursuant to the FATCA rules.

Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would generally not apply prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S. Federal Register, and Notes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date.

IGAs that have been and will be entered into between the U.S. and other non-U.S. governments implement FATCA in a manner that alters the rules described herein. Holders should consult their own tax advisors on how these rules may apply to their investment in the Notes. In the event any withholding under FATCA is imposed with respect to any payments on the Notes, there will be no additional amounts payable to compensate for such withheld amounts.

**THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE INVESTOR'S OWN CIRCUMSTANCES.**

**Certain French Tax Considerations**

***French Withholding Tax***

The following is a basic summary of certain withholding tax considerations that may be relevant to holders of Notes who (i) are non-French residents for French tax purposes, (ii) do not concurrently hold shares of the Issuer, (iii) do not hold their Notes in connection with a business or profession conducted in France through a permanent establishment or a fixed base in France and (iv) are not otherwise affiliated with the Issuer within the meaning of Article 39-12 of the FTC. This summary is based on the tax laws and regulations of France as currently in effect and applied by the French tax authorities, all of which are subject to change (including with retrospective effect) or to different interpretation. It is for general information only and does not address all of the French tax considerations that may be relevant to specific holders of the Notes in light of their particular circumstances. Persons who are in doubt as to their tax position should consult a professional tax adviser. Furthermore, this summary does not address any French estate or gift tax considerations.

Article 1649 AC of the FTC imposes on financial institutions within the meaning of Article 1 of Decree n°2016-1683 to review and collect information on their clients and investors, in order to identify their tax residence, as well as to provide certain account information to relevant foreign tax authorities (*via* the French tax authorities) on an annual basis.

*Payments made outside France*

Pursuant to Article 125 A III of the FTC, payments of interest and other assimilated revenues made by a debtor which is established in France with respect to notes qualifying as debt securities under French commercial law are not subject to the withholding tax set forth under Article 125 A III *bis* of the FTC unless such payments are made outside France in certain non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the FTC (a "**Non-Cooperative State**") other than those mentioned in 2° of 2 bis of the same Article 238-0 A, irrespective of the holder's fiscal domicile or registered headquarters. If such payments are made outside France in a Non-Cooperative State other than those States or territories mentioned in 2° of 2 *bis* of Article 238-0 A of the French Tax Code, a 75% withholding tax may be applicable to such payments (subject to certain exceptions and to the more favorable provisions of any applicable double tax treaty). The list of Non-Cooperative States is published by a ministerial order (*arrêté*), and must in principle be updated at least once a year. The list of Non-Cooperative States was last updated on February 16, 2024 and currently includes the United States Virgin Islands, the American Samoa, Anguilla, Antigua and Barbuda, Belize, Fiji, Guam, Palau, Panama, Russia, Samoa, Seychelles, Trinidad and Tobago, Vanuatu, Bahamas and Turks and Caicos Islands. States referred to in Article 238-0 A 2 *bis* 2°, and thus outside of the scope of Article 125 A III of the FTC, currently are Antigua and Barbuda, Belize, Fiji, Guam, the United States Virgin Islands, Palau, Panama, Russia, the American Samoa, Samoa, Trinidad and Tobago.

Furthermore, pursuant to Article 238 A of the FTC, interest and other assimilated revenues on notes may be non-deductible from the debtor's taxable income if they are paid or accrued to persons established or domiciled in certain Non-Cooperative State or paid to a bank account opened in a financial institution located in certain Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterized as constructive dividends pursuant to Articles 109 *et seq.* of the FTC, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the FTC, at a rate of (i) 25% for non-French tax resident legal persons (i.e., corresponding to the ordinary rate of French corporate income tax provided for by Article 219 I of the FTC), (ii) 12.8% for non-French tax resident individuals, or (iii) 75% when payments are made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 *bis* of Article 238-0 A of the FTC, subject to certain exceptions and the more favorable provisions of any applicable double tax treaty.

Notwithstanding the foregoing, neither the 75% withholding tax set out under Article 125 A III of the FTC, nor, to the extent that the relevant interest or revenues relate to a genuine transaction and is not in an abnormal or exaggerated amount, the Deductibility Exclusion and the withholding tax set out under Article 119 *bis* 2 of the FTC will apply in respect of a particular issue of notes if the debtor can prove that the main purpose and effect of such issue of notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (other than those mentioned in 2° of 2 *bis* of Article 238-0 A of the FTC when it related to Article 125 A III and Article 119 *bis* 2 of the FTC) (the "**Exception**").

Pursuant to *Bulletin officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-30 dated June 14, 2022 No 150 and BOI-INT-DG-20-50-20 dated June 6, 2023, § 290 (the "**Administrative Guidelines**"), an issue of notes will benefit from the Exception without the debtor having to provide any proof of the main purpose and effect of the issue of the notes (the "**Safe Harbor**"), if the notes are:

- offered by means of a public offer within the meaning of Article L. 411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "**equivalent offer**" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

- admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

- admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L. 561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

The Notes issued by the Issuer under this Offering Memorandum qualify as debt securities under French commercial law. Considering (i) that the Notes will be admitted to trading on Euronext Dublin which is not, at the time of the admission of the Notes to trading, located in a Non-Cooperative State and that such market is operated by a market operator which is not located in a Non-Cooperative State, and (ii) that, at the time of their issue, the Notes will be admitted to the operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L. 561-2 of the French *Code monétaire et financier* which is not located in a Non-Cooperative State, interest and other assimilated revenues paid by or on behalf of the Issuer in respect of the Notes will benefit from the Safe Harbor and consequently be exempt from the withholding tax set out under Article 125 A III of the FTC.

Moreover, under the same considerations and to the extent that the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, pursuant to the Administrative Guidelines, interest and other assimilated revenues paid by or on behalf of the Issuer on the Notes will not be subject to the Deductibility Exclusion set out under Article 238 A of the FTC and, as a result, will not be subject to the related withholding tax set out under Article 119 *bis* 2 of the FTC.

*Other French taxation issues relating to the Notes*

Beneficial owners of the Notes who are not French tax residents and who do not hold their Notes in connection with a permanent establishment or a fixed place of business in France should not be subject to income or withholding taxes in France in respect of the gains realized on the sale, exchange, or disposal of the Notes. Transfers of Notes outside of France will not be subject to any stamp duty or other transfer taxes imposed by France, except in the case of filing with the French tax authorities on a voluntary basis, or except to the extent that the FTT would become applicable. See "*Risk Factors—Risks Related to the Notes—Transactions in the Notes could be subject to the European financial transactions tax, if adopted*."

## ERISA CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and Section 4975 of the Code, impose certain requirements on (a) employee benefit plans subject to Title I of ERISA, (b) plans such as individual retirement accounts, Keogh plans or other arrangements subject to Section 4975 of the Code, (c) entities whose underlying assets include "plan assets" by reason of any such plan's or arrangement's investment therein (the foregoing collectively referred to as "**Plans**") and (d) persons who are fiduciaries with respect to Plans. In addition, certain governmental, church and non-U.S. plans ("Non-ERISA Arrangements") are not subject to Section 406 of ERISA or Section 4975 of the Code, but may be subject to other laws that are substantially similar to those provisions (each, a "**Similar Law**").

In addition to ERISA's general fiduciary standards, Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Plan and persons who have specified relationships to the Plan, i.e., "parties in interest" as defined in ERISA or "disqualified persons" as defined in Section 4975 of the Code (the foregoing collectively referred to as "parties in interest") unless exemptive relief is available under an exemption issued by the U.S. Department of Labor. Parties in interest that engage in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code. The Issuer and its current and future affiliates may be parties in interest with respect to Plans. Thus, a Plan fiduciary considering an investment in the Notes should also consider whether such an investment might constitute or give rise to a prohibited transaction under ERISA or Section 4975 of the Code. For example, the Notes may be deemed to represent a direct or indirect sale of property, extension of credit or furnishing of services between the Issuer and an investing Plan which would be prohibited if the Issuer is a party in interest with respect to the Plan unless exemptive relief were available under an applicable exemption.

In this regard, each prospective purchaser that is, or is acting on behalf of, a Plan, and proposes to purchase the Notes, should consider the exemptive relief available under Section 408(b)(17) of ERISA or under the following prohibited transaction class exemptions, or PTCEs: (A) the in-house asset manager exemption (PTCE 96-23), (B) the insurance company general account exemption (PTCE 95-60), (C) the bank collective investment fund exemption (PTCE 91-38), (D) the insurance company pooled separate account exemption (PTCE 90-1) and (E) the qualified professional asset manager exemption (PTCE 84-14). There can be no assurance that any of these class exemptions or other exemptions will be available with respect to transactions involving the Notes.

Each acquirer or holder of a Note, and each fiduciary who causes any entity to purchase or hold a Note, shall be deemed to have represented and warranted, on each day such purchaser or holder holds such Notes, that either (i) it is neither a Plan nor a Non-ERISA Arrangement and it is not purchasing or holding the Notes on behalf of or with the assets of any Plan or Non-ERISA Arrangement; or (ii) (a) its purchase and holding of such Notes shall not constitute or result in a non-exempt prohibited transaction under ERISA, the Code or any provision of Similar Law, and (b) it will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code) in connection with the purchase and holding of the Notes.

Each purchaser or transferee that is a Plan shall be deemed to represent, warrant and agree that (i) none of the Issuer and the Initial Purchasers, nor any of their affiliates, has provided, and none of them will provide, any investment advice within the meaning of Section 3(21) of ERISA to it or to any fiduciary or other person investing the assets of the Plan ("**Plan Fiduciary**"), in connection with its decision to invest in the Notes, and they are not otherwise acting as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Plan or the Plan Fiduciary in connection with the Plan's acquisition of the Notes (unless a statutory or administrative exemption applies (all of the applicable conditions of which are satisfied) or the transaction is not otherwise prohibited); and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the investment in the Notes.

Fiduciaries of any Plans and Non-ERISA Arrangements should consult their own legal counsel before purchasing the Notes.

Each purchaser of a Note will have exclusive responsibility for ensuring that its purchase, holding and subsequent disposition of the Notes does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any Similar Law. Nothing herein shall be construed as a representation that an investment in the Notes

would meet any or all of the relevant legal requirements with respect to investments by, or is appropriate for, Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement.

## CERTAIN INSOLVENCY AND ENFORCEABILITY CONSIDERATIONS

The following is a summary of certain insolvency law considerations in the European Union and France, the jurisdiction of incorporation of the Issuer. The description is only a summary and does not purport to be complete or to discuss all of the limitations or considerations that may affect the validity and enforceability of the Notes. Prospective investors in the Notes should consult their own legal advisors with respect to such limitations and considerations.

### *European Union*

*EU Insolvency Regulation*

The Issuer is organized under the laws of France, which is a Member State of the European Union.

Regulation (EU) 2015/848 of the European Parliament and of the Council of May 20, 2015 on insolvency proceedings (recast), as amended, in particular by Regulation (EU) 2018/946 of the European Parliament and of the Council of July 4, 2018, published in the Official Gazette of the European Union on July 6, 2018 (the "**EU Insolvency Regulation**") was published in the Official Gazette of the European Union on June 5, 2015 and applies to insolvencies which commenced after June 26, 2017 (subject to certain exceptions).

The EU Insolvency Regulation applies within the European Union (other than Denmark), to public collective insolvency proceedings as defined therein and listed in its Annex A. It provides that the courts of the Member State in which a debtor's "center of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation) is situated have jurisdiction to commence main insolvency proceedings relating to such debtor. The determination of where a debtor has its center of main interests is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

Pursuant to Article 4 of the EU Insolvency Regulation, a court requested to open insolvency proceedings is required to examine whether it has jurisdiction pursuant to Article 3 and, pursuant to Article 5, such decision may be challenged by the debtor or any creditor on grounds of international jurisdiction.

Article 3(1) of the EU Insolvency Regulation provides that the center of main interests, or "**COMI**" of a "debtor shall be the place where the debtor conducts the administration of its interests on a regular basis and which is ascertainable by third parties." It sets forth, as explained by Recital (30), a rebuttable presumption that a debtor has its COMI in the Member State in which it has its registered office in the absence of proof to the contrary. This presumption shall only apply if the registered office of the legal person has not been moved to another Member State within the 3-month period prior to the request for the opening of insolvency proceedings. Recital (30) provides that it should be possible to rebut this presumption if a debtor's central administration is located in a Member State other than that of its registered office and a comprehensive assessment of all the relevant factors establishes, in a manner that is ascertainable by third parties, that the debtor's actual center of management and supervision and the management of its interests is located in that other Member State. Under the previous EU insolvency regulation (Council Regulation (EC) 1346/2000 of May 29, 2000), which defined the COMI in similar terms, the courts have considered a number of factors in determining a debtor's COMI, including in particular where board meetings are held, the location where the debtor conducts most of its business or has its head office and the location where most of the debtor's creditors are established. A debtor's COMI is not a static concept and may change from time to time but is determined for the purposes of deciding which courts have competent jurisdiction to commence insolvency proceedings at the time of the filing of the insolvency petition.

If a debtor's COMI is and will remain located in the Member State (other than Denmark) in which it has its registered office, the main insolvency proceedings in respect of the debtor under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Insolvency proceedings commenced in one Member State under the EU Insolvency Regulation are to be recognized in the other EU Member States (other than Denmark), although secondary proceedings may be commenced in another Member State.

Under Article 20 of the EU Insolvency Regulation, the courts of all Member States (other than Denmark) must recognize the judgment of the court commencing main proceedings that will be given the same effect in the other Member States so long as no secondary proceedings have been commenced there. Pursuant to Article 21 of the EU Insolvency Regulation, the insolvency practitioner appointed by a court in a Member State that has jurisdiction to commence main proceedings (because the debtor's COMI is located there) may exercise the powers conferred on it by the laws of that Member State in another Member State (such as to remove assets of the debtor from that other Member State) subject to certain limitations, as long as no insolvency proceedings have been commenced in that other Member State or no preservation measures have been taken to the contrary further to a request to commence insolvency proceedings in that other Member State where the debtor has assets.

If a debtor's COMI is in a Member State (other than Denmark), under Article 3(2) of the EU Insolvency Regulation, the courts of another Member State (other than Denmark) have jurisdiction to commence secondary (territorial) insolvency proceedings against that debtor only if such debtor has an "establishment" (within the meaning and as defined in Article 2(10) of the EU Insolvency Regulation) in the territory of such other Member State or had an establishment in such EU Member State in the 3-month period prior to the request for commencement of main insolvency proceedings. An "establishment" is defined to mean "any place of operations where the debtor carries out or has carried out in the 3-month period prior to the request to commence main insolvency proceedings a non-transitory economic activity with human means and assets."

When main proceedings have been commenced in the Member State in which the debtor has its COMI, any proceedings commenced subsequently in another Member State in which the debtor has an establishment shall be secondary insolvency proceedings. The effects of such secondary proceedings are restricted to the assets of the debtor situated in the territory of such other Member State. When main proceedings in the Member State in which the debtor has its COMI have not yet been commenced, pursuant to Article 3 (4) of the EU Insolvency Regulation, territorial insolvency proceedings may only be commenced in another Member State where the debtor has an establishment where either (a) insolvency proceedings cannot be commenced in the Member State in which the debtor's COMI is situated under that Member State's law; or (b) the territorial insolvency proceedings are commenced at the request of (i) a creditor whose claim arises from or is in connection with the operation of an establishment situated within the territory of the Member State where the commencement of territorial proceedings is requested or (ii) a public authority that has the right to make such a request under the law of the Member State in which the establishment is located. Irrespective of whether the insolvency proceedings are main, secondary or territorial insolvency proceedings, such proceedings will, subject to certain exceptions, be governed by the *lex fori concursus*, (i.e., the local insolvency law of the court that has assumed jurisdiction over the insolvency proceedings of the debtor). Furthermore, pursuant to Article 6 of the EU Insolvency Regulation, the courts of the Member State within the territory of which insolvency proceedings have been opened in accordance with its Article 3 shall have jurisdiction for any action that derives directly from the insolvency proceedings and is closely linked with them, such as avoidance actions.

The commencement of insolvency proceedings in a Member State pursuant to the EU Insolvency Regulation shall not affect the rights *in rem* of creditors or third parties in respect of tangible or intangible, moveable or immoveable assets, both specific assets and collections of indefinite assets as a whole that change from time to time, belonging to the debtor that are situated within the territory of another Member State at the time of the opening of proceedings. Rights *in rem* include:

(i) the right to dispose of assets or have them disposed of and to obtain satisfaction from the proceeds of or income from those assets, in particular by virtue of a lien or a mortgage;

(ii) the exclusive right to have a claim met, in particular a right guaranteed by a lien in respect of the claim or by assignment of the claim by way of a guarantee;

(iii) the right to demand assets from, and/or to require restitution by, anyone having possession or use of them contrary to the wishes of the party so entitled; and

(iv) a right *in rem* to the beneficial use of assets.

However, under Article 36 of the EU Insolvency Regulation, the insolvency practitioner in the main insolvency proceedings may attempt to avoid the opening of secondary insolvency proceedings in another Member State

by giving a unilateral undertaking in respect of the assets located in the Member State in which secondary insolvency proceedings could be opened, that the distribution of those assets or of the proceeds received as a result of their realization will comply with the distribution and priority rights that would apply under the relevant national law if secondary insolvency proceedings were opened in such other Member State. Such undertaking must be made in writing and is subject to approval by a qualified majority of known local creditors, determined in accordance with the local law of such other Member State. If approved, the undertaking is binding on the insolvency estate and if a court is requested to open secondary insolvency proceedings, it shall, at the request of the insolvency practitioner in the main insolvency proceedings, refuse to open such proceedings if it is satisfied that the undertaking adequately protects the general interests of local creditors.

Additionally, under Article 38 of the EU Insolvency Regulation, where a temporary stay of individual enforcement proceedings has been granted in order to allow for negotiations between a debtor and its creditors, the court, at the request of the debtor or of the insolvency practitioner in the main insolvency proceedings, may stay the opening of secondary insolvency proceedings for a period not exceeding three months, provided that suitable measures are in place to protect the interests of local creditors.

Under Article 46 of the EU Insolvency Regulation, the court that opened the secondary insolvency proceedings will also stay the process of realization of assets in whole or in part upon receipt of a request from the insolvency practitioner in the main insolvency proceedings, for a period of up to three months, unless such a request is manifestly of no interest to the creditors in the main insolvency proceedings. Such stay may be continued or renewed for similar periods. When the court stays the process of realization of the assets, the court may require the insolvency practitioner in the main insolvency proceedings to take any suitable measure to guarantee the interests of the creditors in the secondary insolvency proceedings and of individual classes of creditors.

The EU Insolvency Regulation provides:

(i) for cooperation and communication between insolvency practitioners of the main insolvency proceedings and of the secondary insolvency proceedings and, in order to facilitate the coordination of main, territorial and secondary insolvency proceedings concerning the same debtor for cooperation and communication between (i) courts and (ii) insolvency practitioners and courts;

(ii) for specific cooperation, communication and coordination measures in order to ensure the efficient administration of insolvency proceedings relating to different companies forming part of the same group;

(iii) that the Member States shall establish and maintain a register of insolvency proceedings; and

(iv) that the European Commission shall establish a decentralized system for the interconnection of such insolvency registers.

Following the United Kingdom's departure from the EU on January 31, 2020 and the expiry of the subsequent transition period (the "**Transition Period**") on December 31, 2020, in accordance with EUWA (as amended by the *European Union (Withdrawal Agreement) Act 2020*) converts directly applicable EU law (which includes regulations) as it stood at the end of the Transition Period into UK domestic law subject to a number of amendments. The *Insolvency (Amendment) (EU Exit) Regulations 2019 (SI 2019/146)* set out a number of amendments to be made to both EU insolvency laws previously directly applicable in the UK and domestic UK insolvency law including the Insolvency Regulation. As the *EU UK Trade and Cooperation Agreement* does not include a replacement regime for the automatic recognition of UK insolvency procedures across the EU and vice versa, cross-border insolvencies involving the UK and one or more EU member states will be subject to a degree of uncertainty and increased complexity. In the absence of an agreement allowing automatic recognition, it will be harder for UK office holders and UK restructuring and insolvency proceedings to be recognized in EU member states and to effectively deal with assets located in EU member states. Much will then depend upon the private international law rules in the particular EU member state and the need may well arise to open parallel proceedings, increasing the element of risk, as well as costs. In particular, in cases where the appointment of a UK office holder has been made in reliance on a UK domestic approach rather than the COMI rules, it is much less certain that there will be recognition in the relevant EU member state.

*EU Directive on Preventive Restructuring Frameworks*

The EU directive 2019/1023 of the European Parliament and the Council of June 20, 2019 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 (Directive on restructuring and insolvency) (the "**EU Restructuring Directive**") was published on June 26, 2019.

The objectives of the EU Restructuring Directive are to ensure that (i) viable enterprises and entrepreneurs that are in financial difficulties have access to effective national preventive restructuring frameworks that enable them to continue operating, (ii) honest insolvent or over-indebted entrepreneurs (i.e., individuals) can benefit from a full discharge of debt after a reasonable period of time, thereby affording them a second chance and (iii) the effectiveness of procedures concerning restructuring, insolvency and discharge of debt is improved, in particular with a view to shortening their length.

The EU Restructuring Directive aims to achieve a higher degree of harmonization in the field of restructuring, insolvency, discharge of debt and disqualifications by establishing substantive minimum standards for preventive restructuring procedures as well as for procedures leading to a discharge of debt for entrepreneurs in order to promote a culture that encourages early preventive restructuring to address financial difficulties at an early stage, when it appears likely that insolvency can be prevented and the viability of the business can be ensured. Most notably, the Restructuring Directive provides for a framework pursuant to which (a) a stay of individual enforcement actions by creditors against debtors must be introduced by Member States national legislation, (b) all creditor claims shall be grouped into separate classes each of which shall reflect a commonality of interests (at a minimum, creditors of secured and unsecured claims shall be treated in separate classes), (c) creditor claims may be restructured in a restructuring plan by majority vote with a majority of not more than 75% of the amount of the claims in each class and, where the Member State so requires, a majority in number of affected parties in each class and (d) a cross-class cram-down is introduced whereby a restructuring plan may, under certain conditions, be adopted and bind dissenting creditors even if the creditors of one or more classes do not consent to the restructuring plan with the required majority. In order to be adopted the plan will have to be confirmed by a judicial or administrative authority that will in particular ensure the protection of each type of creditors' rights and compliance with the priority rules governing the adoption of the plan. The transposition of the EU Restructuring Directive into national legislation shall protect new financing and interim financing and may also provide priority ranking to new or interim financing granted in the context of a restructuring.

In order to transpose the EU Restructuring Directive into French law, the French government issued:

(i) on September 15, 2021, ordinance no. 2021-1193 (the "**2021 Ordinance**"), effective as from October 1, 2021 in respect only (with limited exceptions) of preventive and insolvency proceedings opened as of such date; and

(ii) on September 23, 2021, decree no. 2021-1218 (the "**2021 Decree**") for the implementation of the 2021 Ordinance.

The following is a general discussion of preventive and insolvency proceedings governed by French law, as amended by the 2021 Ordinance and the 2021 Decree, for informational purposes only and does not address all the French legal considerations that may be relevant to holders of the Notes.

***France***

*Insolvency*

We conduct part of our business activity in France and, to the extent that the registered office of any member of the Group (such as the Issuer) or its main center of interests within the meaning of Article R. 600-1 of the French *Code de commerce* is deemed to be in France, it could be subject to French court-assisted proceedings affecting creditors, i.e., *mandat ad hoc* or *conciliation* proceedings (which do not fall within the scope of the EU Insolvency Regulation). In addition, to the extent that (i) its COMI is deemed to be in France or it has an establishment in France or, (ii) in cases where the EU Insolvency Regulation does not apply, its registered office

or its main center of interests within the meaning of Article R. 600-1 of the French *Code de commerce*, is deemed to be in France, it could also be subject to French court-administered proceedings affecting creditors, i.e., either safeguard proceedings and accelerated safeguard proceedings (*sauvegarde* and *sauvegarde accélérée*), judicial reorganization proceedings (*redressement judiciaire*) or judicial liquidation proceedings (*liquidation judiciaire*).

Annex A of the EU Insolvency Regulation lists safeguard, accelerated safeguard, judicial reorganization and judicial liquidation proceedings as insolvency proceedings within the meaning of the EU Insolvency Regulation. Any company of our Group having its COMI in France could be subject to French main insolvency proceedings within the meaning of the EU Insolvency Regulation and any company of our Group having an establishment in France and its COMI in another EU Member State (other than Denmark) could be subject to French secondary insolvency proceedings within the meaning of the EU Insolvency Regulation. Annex A of the EU Insolvency Regulation also lists accelerated financial safeguard proceedings as insolvency proceedings but accelerated financial safeguard proceedings no longer have a separate existence under French law as they have been merged into accelerated safeguard proceedings as of October 1, 2021 (save for proceedings commenced before this date) by the 2021 Ordinance.

Specialized courts exist for (i) conciliation or court-administered proceedings with respect to debtors that meet or exceed (on a stand-alone basis or together with the companies under their control) (x) €20 million in net turnover and 250 employees or (y) €40 million in net turnover, (ii) commencement of proceedings with respect to which the court's international jurisdiction results from the application of the EU Insolvency Regulation or (iii) in cases where the EU Insolvency Regulation does not apply, from the debtor having its main center of interests within the jurisdiction of such specialized courts.

In addition, the French court that commences preventive or insolvency proceedings with respect to the member of a corporate group has jurisdiction over all the other members of the group (subject to French courts having international jurisdiction with respect to such entities, in accordance with the rules outlined above and to specific control thresholds). Accordingly, a court can supervise the insolvency proceedings of the whole group and may, for this purpose, appoint the same administrator (*administrateur judiciaire*) and creditors' representative (*mandataire judiciaire*) for all proceedings in respect of members of the group.

In general, French insolvency legislation favors the continuation of a business and protection of employment over the payment of creditors and could limit your ability to enforce your rights under the Notes.

*Grace Periods*

In addition to insolvency laws discussed below, you could, like any other creditors, be subject to Article 1343-5 of the French *Code civil*.

Pursuant to the provisions of this Article, French courts may, in any civil or commercial proceedings involving the debtor, whether initiated by the debtor or the creditor, taking into account the debtor's financial position and the creditor's needs, defer or otherwise reschedule over a maximum period of two years the payment dates of payment obligations that are due and decide that any amounts, the payment date of which is thus deferred or rescheduled, will bear interest at a rate that is lower than the contractual rate (but not lower than the legal rate, as published semi-annually by the French government) or that payments made shall first be allocated to repayment of principal. A court order made under Article 1343-5 of the French *Code civil* will suspend any pending enforcement measures, and any contractual default interest or penalty for late payment will not accrue or be due during the grace periods ordered by the relevant judge.

If the debtor is engaged in conciliation proceedings or has reached a conciliation agreement that is in the course of being executed, special rules apply to the grant of grace periods (see section "*Court-Assisted Proceedings*" below).

*Insolvency Test*

Under French law, a debtor is considered to be insolvent (*en état de cessation des paiements*) when it is unable to pay its due debts (*passif exigible*) with its immediately available assets (*actif disponible*) taking into account available credit lines, existing debt rescheduling agreements and moratoria.

The date of insolvency (*état de cessation des paiements*) is generally deemed to be the date of the court order commencing the judicial reorganization or judicial liquidation proceedings, unless the court sets an earlier date, which may be carried back up to 18 months before the date of such court order. Except for fraud, the date of insolvency may not be fixed at an earlier date than the date of the final court decision that approved an agreement (*homologation*) in the context of conciliation proceedings. The date of insolvency marks the beginning of the hardening period (see section "*Hardening Period*" below).

*Court-Assisted Proceedings*

A French debtor facing difficulties may in certain conditions request the commencement of court-assisted proceedings (*mandat ad hoc* or *conciliation*), the aim of which is to reach an agreement with the debtor's main creditors and stakeholders e.g., an agreement to reduce or reschedule its indebtedness.

*Mandat ad hoc* proceedings may only be initiated by the debtor itself, in its sole discretion. In practice, *mandat ad hoc* proceedings are used by debtors that are facing any type of difficulties but are not insolvent (see *section "Insolvency test*" above). The proceedings are informal and confidential by law (save for the disclosure of the court decision appointing the *mandataire ad hoc* to the statutory auditors, if any). They are carried out under the aegis of a court-appointed officer (*mandataire ad hoc*), whose name may be suggested by the debtor itself, under the supervision of the president of the court. The proceedings are not limited in time. The duties of the *mandataire ad hoc* are determined by the president of the competent court that appoints him or her, usually to facilitate negotiations with creditors. Any agreement between the debtor and its creditors will be negotiated on a purely consensual and voluntary basis: those creditors not willing to take part cannot be bound by the agreement nor forced to accept it. *Mandat ad hoc* proceedings do not automatically stay any pending proceedings and creditors are not barred from taking legal action against the debtor to recover their claims but those that have accepted to take part in the proceedings usually also accept to abstain from such action while they are ongoing. In any event, the debtor retains the right to petition the relevant judge for a grace period under Article 1343-5 of the French *Code civil* (see section "*Grace periods*" above). The agreement reached is reported to the president of the court but is not formally approved by it.

*Conciliation* proceedings may only be initiated by the debtor itself if it faces actual or foreseeable difficulties of a legal, economic or financial nature and is not insolvent (see section *"Insolvency test*" above) or has not been insolvent for more than 45 calendar days. The proceedings are confidential by law (save for the disclosure of the court decision commencing the proceedings to the statutory auditors, if any). They are carried out under the aegis of a court-appointed conciliator (*conciliateur*), whose name may be suggested by the debtor itself, under the supervision of the president of the court. The proceedings may last up to five months (after an initial period of a maximum of four months, upon request of the conciliator, the president of the competent court may extend the conciliation period up to the absolute maximum of five months). In case the debtor intends to have the conciliation agreement approved (*homologué*) or acknowledged (*constaté*), its request must be filed by the end of this five-month period, even though the hearing can take place afterwards, in which case the conciliation period will be extended until the decision of the president of the court or the court itself.

The duties of the conciliator are to assist the debtor in negotiating an agreement with all or part of its creditors and/or other stakeholders that puts an end to its difficulties, e.g., providing for the restructuring of its indebtedness. Any agreement between the debtor and its creditors/stakeholders will be negotiated on a purely consensual and voluntary basis: those creditors not willing to take part cannot be bound by the agreement nor forced to accept it. *Conciliation* proceedings do not automatically stay any pending proceedings and creditors are not barred from taking legal action against the debtor to recover their claims but those that have accepted to take part in the proceedings usually accept not to do so for their duration. Creditors may not request the opening of insolvency proceedings (judicial reorganization or judicial liquidation proceedings) against the debtor for the duration of the conciliation proceedings.

Pursuant to Article L. 611-7 of the French *Code de commerce*, during the proceedings, the debtor retains the right to petition the judge that commenced them for a grace period in accordance with Article 1343-5 of the French *Code civil* (see section "*Grace periods*" above) if a creditor has formally put the debtor on notice to pay, is suing for payment, or does not accept, by the deadline set by the conciliator, a request to stay payment of its claim (*suspendre l'exigibilité de sa créance*). In the latter case, the judge may, for the duration of the conciliation proceedings, order the postponement or the rescheduling of the creditor's claims that have not yet fallen due. A

joint-debtor and a third party that had previously granted credit support (a guarantee or security interest) with respect to the debtor's obligations may benefit from grace periods so granted by the judge.

The conciliation agreement reached between the parties may be acknowledged (*constaté*) by the president of the Commercial Court at the request of the parties, which makes the agreement enforceable without further recourse to a judge (*force exécutoire)*, but the conciliation proceedings remain confidential.

Alternatively, the conciliation agreement may be approved (*homologué*) by the Commercial Court at the request of the debtor - following a hearing held for that purpose to which the works council or employee representatives, as the case may be, must be convened – if:

(i) the debtor is not insolvent or the conciliation agreement has the effect of putting an end to the debtor's insolvency;

(ii) the terms of the conciliation agreement ensure the continuation of the business as a going-concern; and

(iii) the conciliation agreement does not impair the rights of the non-signatory creditors.

Such approval will have the same effect as its acknowledgment (*constatation*) as described above and, in addition:

(i) the decision of approval by the relevant civil or commercial court, which should only disclose the amount of any Conciliation Lien (see below) and the guarantees and security interests granted to secure the same, will be public but the agreement itself should otherwise remain confidential except vis-à-vis the works council or employee representatives that are informed of the content of the conciliation agreement and may have access to the full conciliation agreement at the clerk's office (*greffe*) of the court;

(ii) persons that, in the context of the conciliation proceedings, provide new money, goods or services designed to ensure the continuation of the business of the debtor (other than shareholders providing new equity in the context of a capital increase) will enjoy a priority of payment over all pre-commencement and post-commencement claims (subject to certain exceptions including with respect to certain pre-commencement or post-commencement employment claims and procedural costs) (the "**Conciliation Lien**"), in the event of subsequent safeguard proceedings, judicial reorganization proceedings or judicial liquidation proceedings;

(iii) in the event of subsequent safeguard, accelerated safeguard, judicial reorganization or judicial liquidation proceedings, the claims benefiting from the Conciliation Lien may not, without their holders' consent, be rescheduled or written off by a safeguard or a reorganization plan (although such claims will not be paid before the safeguard or reorganization plan is adopted), not even through a cram-down or a cross-class cram-down (in the event that classes of affected parties are formed);

(iv) when the debtor is submitted to statutory auditing, the conciliation agreement is communicated to its statutory auditors; and

(v) in the event of subsequent judicial reorganization proceedings or judicial liquidation proceedings, the date of occurrence of the insolvency (see section "*Insolvency test*" above), and therefore the starting date of the hardening period (see section "*Hardening Period*" below), cannot be set by the court as of a date earlier than the date of the approval (*homologation*) of the agreement by the court (except in case of fraud).

Whether the conciliation agreement is acknowledged or approved, the president of the court or the court (depending on whether the agreement was acknowledged or approved) may, at the request of the debtor, appoint the conciliator to monitor the implementation of the agreement (*mandataire à l'exécution de l'accord*) during its execution and, while the agreement is in force:

(i) interest accruing on the claims that are the subject to the conciliation agreement may not be compounded;

(ii) in accordance with Article L. 611-10-1 of the French *Code de commerce*, the debtor retains the right to petition the judge that commenced the conciliation proceedings to impose grace periods on creditors who were asked to participate in the conciliation proceedings (other than the tax and social security administrations) and have formally put the debtor on notice to pay or are suing for payment of claims that were not dealt with in the conciliation agreement, such decision being taken after hearing the conciliator if he/she has been appointed to monitor the implementation of the agreement and, taking into account the conditions of its performance; and

(iii) in accordance with Article L. 611-10-2 of the French *Code de commerce*, a joint-debtor and a third party that had previously granted credit support (a guarantee or security interest) with respect to the debtor's obligations may benefit from the provisions of the conciliation agreement as well as from grace periods granted to the debtor during the execution of the conciliation agreement pursuant to Article L. 611-10-1 of the French *Code de commerce* mentioned above.

If the debtor breaches the terms of the conciliation agreement, any party to it may petition the president of the court or the court (depending on whether the agreement was acknowledged or approved) for its termination. Termination will however not extend to the provisions of the conciliation agreement addressing the consequences of such termination. If such termination is granted, grace periods granted in relation to the conciliation proceedings may also be revoked. Conversely, provided the conciliation agreement is duly performed, any individual proceedings by creditors with respect to obtaining payment of the claims dealt with by the conciliation agreement are suspended and/or prohibited. The commencement of subsequent safeguard or insolvency proceedings will automatically put an end to the conciliation agreement, in which case the creditors will recover their claims (decreased by potential recoveries made) and pre-existing security interests or guarantees.

At the request of the debtor and after the creditors taking part in the proceedings have been consulted on the matter, *mandat ad hoc* and conciliation proceedings may also be used to organize the partial or total sale of the debtor's business, in particular through a "plan for the disposal of the business" (i.e., prepack disposal plan (plan de cession)) that could be implemented in the context of subsequent safeguard, judicial reorganization or judicial liquidation proceedings. Provided they comply with certain requirements, offers received in this context by the *mandataire ad hoc* or the conciliator may, after consultation of the public prosecutor, be considered by the court in the context of safeguard, judicial reorganization or judicial liquidation proceedings.

As a matter of law, any contractual provision that (i) modifies the conditions for the continuation of an ongoing contract by reducing the debtor's rights or increasing its obligations simply by reason of the designation of a *mandataire ad hoc* or of the commencement of conciliation proceedings or of a request submitted to this end or (ii) requires the debtor to bear, by reason only of the appointment of a *mandataire ad hoc* or of the commencement of conciliation proceedings, more than three-quarters of the fees of the professional advisers retained by creditors in connection with these proceedings, is deemed null and void.

A statement of all the costs incurred by the debtor is prepared by it with the conciliator's help, and includes:

(i) the remuneration of the conciliator, if it has already been agreed, or, if not, the conditions of this remuneration as fixed by the president of the court, as well as the remuneration of the *mandataire ad hoc* if a *mandat ad hoc* has immediately preceded the commencement of the conciliation proceedings;

(ii) the remuneration of any person or expert appointed by the judge or involvement of whom has been requested by the conciliator;

(iii) the fees of the debtor's advisors or those paid by the debtor in the framework of the conciliation proceedings and the *mandat ad hoc* proceedings which may have immediately preceded it; and

(iv) the fees of the creditor's advisors when they are charged to the debtor.

This statement shall be signed and submitted to the court's clerk by the debtor. Before acknowledging or approving the conciliation agreement, the president of the court or the court checks the filing of this statement with the court clerk.

This cost statement may only be disclosed to the conciliator, the president of the court, the court or the State prosecutor. In the event of the opening of subsequent insolvency proceedings, the court may, ex officio or at the request of the State prosecutor, be provided with the statement.

Where the maximum time period allotted to court-assisted proceedings expires without an agreement being reached, the proceedings will end. The termination of such proceedings does not, in and of itself entail any specific legal consequences for the debtor, in particular it does not result in the automatic commencement of insolvency proceedings. New conciliation proceedings cannot be commenced before 3 months have elapsed as from the end of the previous ones.

Although French accelerated safeguard proceedings are the transposition into French law of preventive restructuring proceedings in the spirit of the EU Restructuring Directive, they are defined in the French *Code de commerce* by reference to standard safeguard proceedings.

As a result and for the sake of clarity, standard safeguard proceedings will be presented below before accelerated safeguard proceedings.

*Court-Administered Proceedings - Safeguard*

A debtor that experiences difficulties that it is not able to overcome may, in its sole discretion, initiate safeguard proceedings (*procédure de sauvegarde*) with respect to itself, provided that it is not insolvent (see section *"Insolvency test*" above). Creditors of the debtor are not notified of, nor invited to attend the hearing before the court at which the commencement of safeguard proceedings is requested even if they have a limited right to challenge the court decision commencing the proceedings. Following the commencement of safeguard proceedings, a court-appointed administrator (*administrateur judiciaire*) is appointed (except for small companies where the court considers that such appointment is not necessary) to investigate the business of the debtor during an "observation period" (being the period starting on the date of the court decision commencing the proceedings and ending on the date on which the court takes a decision on the outcome of the proceedings), which may last up to twelve months. The role of the court-appointed administrator is also to assist the debtor in preparing a draft safeguard plan (*projet de plan de sauvegarde*) that it will circularize to its creditors (or submit to the classes of affected parties – see below) that may include a partial sale of the business. Creditors or equity holders do not have effective control over the proceedings, which remain in the hands of the debtor assisted by the court-appointed administrator. The court-appointed administrator will, in accordance with the terms of the judgment appointing him or her, exercise *ex post facto* control over decisions made by the debtor (*mission de surveillance*) or assist the debtor to make all or some of the management decisions (*mission d'assistance*), all under the supervision of the court. A supervisory judge (*juge-commissaire*) and a creditors' representative (*mandataire judiciaire*) are also appointed at the beginning of the proceedings, alongside the court-appointed administrator. Management decisions in respect of disposals (*acte de disposition*) that fall outside the scope of the ordinary course of business, as well as decisions considered to be important under statute, require the prior approval of the supervisory judge (e.g., granting security interests or settling disputes).

The supervisory judge can appoint 1 to 5 controllers (*contrôleurs*) among the creditors who have filed a request, provided they meet certain conditions (in particular no affiliation to the debtor). Controllers assist the creditors' representative in his functions and the supervisory judge in his duty of supervising the progress of the insolvency proceedings. In order to protect creditors' interests and under certain conditions, the controllers may act in the interests of the creditors when the creditors' representative fails to take sufficient action.

If, after commencement of the proceedings, it appears that the debtor was insolvent (*en état de cessation des paiements*) before their commencement, at the request of the debtor, the administrator, the creditors' representative or the public prosecutor but, in any event, after having heard the debtor, the court may convert the safeguard proceedings into judicial reorganization proceedings.

In addition, pursuant to Article L. 622-10 of the French *Code de commerce*, the court may convert safeguard proceedings into (i) judicial reorganization proceedings (a) at any time during the observation period if the

debtor is insolvent or, (b) if, no plan has been adopted, the approval of a safeguard plan is manifestly impossible and if the debtor would shortly become insolvent should safeguard proceedings end or (ii) judicial liquidation proceedings at any time during the observation period if the debtor is insolvent and its recovery is manifestly impossible. In all such cases, the court may decide at the request of the debtor, the court-appointed administrator, the creditors' representative or the public prosecutor or on its own initiative except in the case of (i)(b) above where:

(i) the court may not act upon its own initiative, and

(ii) the court's decision is only taken after having heard the debtor, the court-appointed administrator, the creditors' representative, the creditors of the debtor appointed by the supervisory judge as controller (if any), the public prosecutor and the workers' representatives (if any).

As soon as safeguard proceedings are commenced, any unpaid amount of share capital of the debtor becomes immediately due and payable.

*Judicial Restructuring Lien*: Persons that, in the context of accelerated safeguard, safeguard, judicial reorganization or liquidation proceedings, provide new money (except through a share capital increase) (the "**Judicial Restructuring Lien**"):

(i) during the observation period, in safeguard and judicial reorganization proceedings or the temporary continuation of business operations in judicial liquidation proceedings, in order to ensure the continuity of the debtor's business during this period, in which case such financing must be authorized by the supervisory judge and are subject to publicity, or

(ii) for the implementation of the safeguard or reorganization plan (including a plan ordered by the court that substantially modifies a previous one), in which case the amount and the privilege must be specifically mentioned in the draft plan on which the affected parties are called upon to vote as well as in the court decision adopting the plan,

enjoy a priority of payment over pre-commencement and post-commencement claims with the exception of (i) employees' super-privileged claims, (ii) procedural costs, (iii) the Conciliation Lien (iv) pre-commencement claims secured by security interests over real estate assets (only in the context of judicial liquidation proceedings) and (v) post-commencement wages claims not advanced through the French wages guarantee scheme (AGS) under provisions of Articles L. 3253-8 to L. 3253-13 of the French *Code du travail*.

The Judicial Restructuring Lien may not, directly or indirectly, secure any financing provided prior to commencement of the proceedings.

In addition, such claims may not be rescheduled or written-off by a safeguard or a reorganization plan (although such claims will not be paid before the safeguard or reorganization plan is adopted) without the consent of the relevant creditors, not even through a cram-down or a cross-class cram-down (in the event that classes of affected parties are formed), in the on-going or in subsequent safeguard proceedings, judicial reorganization proceedings or judicial liquidation proceedings.

Creditors (and if applicable, equity holders) must be consulted on the manner in which the debtor's liabilities will be settled under the safeguard plan (debt write-offs, payment terms or debt-for-equity-swaps) prior to the plan being approved by the court. The rules governing consultation will vary depending on the size of the business.

*Standard consultation*: this applies in respect of debtors that, on the date of the petition for commencement of the proceedings (on a stand-alone basis or together with other entities that they hold or control, within the meaning of Articles L. 233-1 and L. 233-3 of the French *Code de commerce*) have less than (x) 250 employees and €20 million in net turnover or (y) €40 million in net turnover unless, upon their request, the supervisory judge authorizes a class-based consultation of their creditors (see below).

In such case, the administrator notifies the proposals for the settlement of debts to the creditors' representative, who seeks the agreement of each creditor who filed a claim, regarding the debt write-offs and payment schedules proposed. Creditors are consulted individually or collectively.

French law does not state whether the debt settlement proposals can vary according to the creditor and whether the principle of equal treatment of creditors is applicable at this consultation stage. According to legal commentaries and established practice, differing treatment as between creditors is possible, *provided* that it is justified by the difference in situation of the creditors and approved by the creditors' representative. In practice, it is also possible at the consultation stage to make a proposal for a partial payment of claims over a shorter time period instead of a full payment of such claims over the length of the plan (ten years maximum except for agricultural businesses where the maximum is fifteen years).

If the plan provides for a share capital increase, the shareholders may pay up their subscription to such share capital increase by way of a set-off against their admitted claims against the debtor (as such claims may be reduced according to the provisions of the plan).

Creditors whose payment terms are not affected by the plan or who are paid in cash in full as soon as the plan is approved are not required to be consulted.

Creditors that do not respond within 30 days of their receipt of the debt settlement proposal (other than debt-for-equity-swap) made to them are deemed to have accepted it. The creditors' representative keeps a list of the responses from creditors, which is notified to the debtor, the court-appointed administrator and the controllers.

If the draft plan provides for a modification of the share capital or the by-laws, the court may decide that the shareholders general meeting and, as the case may be, the shareholders' special meetings or the general meetings of the holders of securities giving access to the share capital of the company shall vote, the first time the relevant meeting is convened, at a simple majority of the votes of the shareholders attending, or represented at, the meeting, provided that they hold at least half of the shares with voting rights. The second time the meeting is convened, the usual provisions relating to quorum and majority shall apply.

Within the framework of a standard consultation, the court that approves the safeguard plan (*plan de sauvegarde*) can impose a uniform rescheduling of the claims of creditors having refused the proposals that were submitted to them (subject to exceptions such as the ones applicable to claims benefiting from the Conciliation Lien or the Judicial Restructuring Lien) over a maximum period of ten years (except for agricultural businesses where the maximum is fifteen years and for claims with maturity dates falling after the term of the plan, in which case the maturity dates shall remain the same), but no write-off of any claim or debt-for-equity swap may be imposed without the relevant creditor's individual acceptance.

If the court adopts a safeguard plan, it can set a time-period during which the assets that it deems to be essential to the continuation of the business of the debtor may not be disposed of without the court's consent.

Following a court imposed rescheduling, the first payment must be made within a year of the judgment adopting the plan (in the third and subsequent years, the amount of each annual instalment must be of at least 5% of the amount of each debt claim and, as from the sixth year, the amount of each annual instalment must be of at least 10% (except for agricultural businesses)) or on the first payment date following the initial maturity of the claim if such date is later than the first payment date provided for in the plan, in which case the amount of such first payment is equal to what the creditor would have received had he been paid in accordance with the uniform payment rescheduling applying to the other creditors.

The plan adopted by the court may be modified during its implementation. However, when the modification is substantial and relates to the terms and conditions of the discharge of liabilities, the interested parties are consulted by registered letter with acknowledgment of receipt sent by the court clerk. Such interested parties shall answer to this consultation no later than 21 calendar days following the receipt. Failure to respond shall constitute acceptance of the proposed changes, except if they relate to debt write-offs or debt-to-equity swaps.

*Class-based consultation*: This applies to companies that, on the date of the petition for commencement of the proceedings, meet or exceed either of the following thresholds (x) 250 employees and €20 million in net turnover or (y) €40 million in net turnover (on a standalone basis or together with other entities that they hold or control,

within the meaning of Articles L. 233-1 and L. 233-3 of the French *Code de commerce*), or upon the debtor's request and with the authorization of the supervisory judge if they do not meet such thresholds.

The consultation involves the submission of a proposed safeguard plan prepared by the debtor with the assistance of the court-appointed judicial administrator for consideration by the affected parties (*parties affectées*), as defined below.

Only the affected parties are entitled to vote on the draft plan.

Pursuant to Article L. 626-30 of the French *Code de commerce*, affected parties are:

(i) creditors whose rights are directly impaired by the proposed plan;

(ii) equity holders (including shareholders and holders of securities giving future rights to the share capital) if their equity interests, the debtor's articles of association or by-laws, or their rights are modified by the proposed plan. Note that a decision of the Versailles Court of Appeals of June 22, 2023, no 23/03276 in the *Orpea* matter, ruled that holders of notes giving future access to the share capital (such as notes convertible into shares) are deemed to be creditors for the purposes of the proceedings if they have not converted their bonds into equity by the date of the commencement of the proceedings.

The court-appointed administrator is responsible for drawing up the classes and informing each affected party that it is a member of a class. The court-appointed administrator must, on the basis of objective verifiable criteria, allocate the affected parties in classes presenting a sufficient commonality of economic interest (*communauté d'intérêt économique suffisante*) in compliance with the following conditions:

(i) creditors whose claims are secured by security interests in rem (sûretés réelles), in respect of their claim so secured, and other creditors shall belong to different classes;

(ii) the class formation shall comply with subordination agreements entered into before commencement of the proceedings that shall have been brought to the attention of the court-appointed administrator within ten days from his notification to each affected party of its membership in a class;

(iii) equity holders shall make up one or more classes; and

(iv) claims arising from employment contracts (including the French wage guarantee scheme (AGS) claims), pension rights, and maintenance claims cannot be affected by the plan and in respect of creditors secured by a security trust (*fiducie*) granted by the debtor, only the amount of their claims that are not secured by such security trust is taken into account.

The court-appointed administrator shall notify to each affected party the criteria for class formation and for the determination of the voting rights corresponding to the affected claims or rights allowing them to cast a vote. The amount of the claims taken into consideration is the one communicated by the debtor and certified by its auditor(s) or, failing that, endorsed by a certificate from its chartered certified accountant. Future interest claims calculated by a reference to an index are calculated by reference to the value of the index at the date of the court decision commencing the proceedings. The claims of creditors secured by a security trust (*fiducie*) shall only be taken into account for the portion of their claim not secured by the security trust.

Any affected party, the debtor, the public prosecutor, the creditors representative or the court-appointed administrator is entitled, within ten days following the notification of the criteria for the formation of the classes and the determination of the voting rights referred to in the preceding paragraph, to dispute the same before the supervisory judge. The supervisory judge must rule within ten days of the referral date, and failing that, any aforementioned person may refer the dispute to the court, which must rule within ten days of such later referral date. The supervisory judge's decision (or the court's decision, as the case may be) may be appealed within five days of its notification to the parties.

The proposed plan may, *inter alia*, include a rescheduling or cancellation of debts and/or debt-for-equity swaps (subject to specific exceptions, including in respect of claims benefiting from the Conciliation Lien or the Judicial Restructuring Lien).

The procedures for convening the affected parties and organizing their vote vary according to the parties concerned (creditors, bondholders, equity holders) and are ultimately determined by the court-appointed judicial administrator within certain guidelines set by the 2021 Decree.

The classes must approve or reject the plan within 20 to 30 days of its submission. The period may be extended or shortened by the supervisory judge, upon prior request of the debtor or the court-appointed administrator, but may not be shorter than 15 days.

The decision shall be taken by each class by a two-thirds majority of the votes held by the members casting a vote.

If applicable, the class or classes of equity holders vote under the rules governing votes at shareholders/equity holders' general meetings, except that the decision is taken at the same two-thirds majority. Within a class, the vote on the adoption of the plan may be replaced by an agreement which, after consultation with its members, has received the approval of two-thirds of the voting rights.

Once the draft plan has been adopted by each of the classes, it will be submitted to the commercial court which shall essentially verify that the following conditions are met:

(i) the classes have been duly formed in accordance with the rules mentioned above;

(ii) affected parties, sharing a sufficient commonality of interest within the same class, are treated equally and in proportion to their claim or right;

(iii) the plan has been duly notified to all the affected parties;

(iv) if there are dissenting affected parties, the plan meets the "best interests of creditors" test (i.e., no dissenting party is worse off as a result of the plan than it would be if the order of priority of payments in a judicial liquidation were applied (whether in the event of a piecemeal sale or a court-ordered disposal plan (plan de cession)) or in the event of a better alternative solution if the plan was not approved);

(v) where applicable, any new financing is necessary to implement the plan and does not excessively impair the interests of the affected parties; and

(vi) the interests of all affected parties are sufficiently protected.

The court may refuse to adopt the plan if it does not offer a reasonable prospect of avoiding the debtor's insolvency or of ensuring the viability of the business. The judgment adopting the plan renders the plan enforceable against all (*erga omnes)* (including the affected parties who did not vote or voted against the adoption of the plan).

Like plans adopted through a standard consultation, if the plan provides for a share capital increase, the shareholders may pay up their subscription to such share capital increase by way of a set-off against their admitted claims against the debtor (as such claims may be reduced according to the provisions of the plan).

<u>*Cross-class cram-down*</u>: The 2021 Ordinance has introduced a cross-class cram-down mechanism into French law: where the safeguard plan is not approved by a two-thirds majority of each class, it may be adopted by the court at the request of the debtor or the court-appointed administrator (with the approval of the debtor) and be imposed on the parties that voted against the plan provided that:

(i) the plan complies with the conditions for adoption of the plan by the court mentioned above;

(ii) the plan has been approved by:

(a) a majority of the classes of affected parties entitled to vote, provided that at least one such class is a class of creditors whose claims are secured by security interests *in rem* (*sûretés réelles*) or

is senior to the unsecured creditors' class (*créanciers chirographaires*); or, if such condition is not met,

(b) at least one of the classes of affected parties entitled to vote, other than an equity holders' class or any other class which, after determining the value of the debtor as a going concern, could reasonably be expected not to be entitled to any payment if the order of priority of payments in a judicial liquidation were applied (whether in the event of a piecemeal sale or a court-ordered disposal plan (*plan de cession*));

(iii) the claims held by a dissenting class of affected parties are fully paid (by identical or equivalent means) if a lower ranking class is entitled to be paid or retains an interest within the plan (i.e., absolute priority rule);

(iv) no class of affected parties receives or retains, under the plan, more than the total amount of its claims or interests;

(v) where one or more classes of equity holders have been constituted and have not approved the plan, the plan can be imposed on such dissenting equity holders if:

(a) the debtor (on a standalone basis or together with other entities which they hold or control, within the meaning of Articles L. 233-1 and L. 233-3 of the French *Code de commerce*) meets or exceeds either of the following thresholds: (x) 250 employees and €20 million of net turnover or (y) €40 million in net turnover;

(b) it is reasonably foreseeable, after determining the value of the debtor as a going concern, that the equity holders of the dissenting class or classes would not be entitled to any payment or retain any interest under the order of priority of payments in a judicial liquidation were applied (whether in the event of a piecemeal sale or a court-ordered disposal plan (*plan de cession*));

(c) if the plan provides for a capital increase to be paid up by cash contribution or by way of set off of claims, the shares issued are offered by preference to the shareholders, *pro rata* their shareholding; and

(d) the plan does not provide for the transfer of all or part of the rights of the dissenting class or classes of equity holders.

The court's decision constitutes approval of the changes to the shareholding structure, to the rights of the equity holders, to the articles of association or the by-laws provided for in the plan. The court may appoint a judicial representative to perform the acts necessary for the implementation of these changes.

Upon request from the debtor, or from the court-appointed administrator with the debtor's consent, the court can override the absolute priority rule if it is deemed necessary to achieve the plan's objectives and if the plan does not excessively affect the rights or interests of affected parties. In particular, supplier claims, equity holders and tort liability claims may benefit from such exemption.

Like plans adopted through a standard consultation, if the court adopts a safeguard plan, it can set a time-period during which the assets that it deems to be essential to the continuation of the business of the debtor may not be disposed of without court's consent.

If no proposed safeguard plan is adopted by the classes of affected parties, the court may, at the request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire)* or the public prosecutor, convert the safeguard proceedings into judicial reorganization proceedings if it appears that the adoption of a safeguard plan is impossible and if the end of the safeguard proceedings would certainly lead the debtor to shortly becoming insolvent.

(i) At the latest within ten days from the vote of the classes on the draft plan, any affected party having voted against the draft plan and considering thai) the best interest test criterion has not been met; or

(ii) in the event of a plan adopted by a cross-class cram-down and, based on the valuation of the debtor as a going concern, either (or both) of the following conditions has not been met:

(a) in the event that the plan was approved solely by the vote of an affected class that was not an equity holder, such class would not have been entitled to a payment if the order of payment in a judicial liquidation were applied (whether in the event of a piecemeal disposal or, a court-ordered disposal plan);

(b) in the event that a class, or classes, of equity holders voted against the plan, such class(es) would not have received a payment or retained an interest in the event that the order of payment applicable in a judicial liquidation were applied (whether in the event of a piecemeal disposal or, a court-ordered disposal plan),

may petition the court to dispute the same. Following a hearing and after receiving the public prosecutor's opinion, the court will, in the same decision, determine the value of the debtor (in respect of which the court is entitled to order the appointment of an expert) and rule on compliance with the aforementioned conditions and on the adoption of the plan.

This decision may itself be challenged within ten days of its notification or communication to them, by the affected party(ies) that initially challenged the class vote, the debtor, the court-appointed administrator, the creditors' representative or the public prosecutor.

In the event no safeguard plan is adopted through the class-based consultation procedure (whether by approval by the classes of affected parties or by a cross-class cram-down), there is no statute that allows French courts to impose a term-out (i.e., a rescheduling over a maximum period of 10 years of the indebtedness of dissenting creditors), although the courts retain this power under statute if the plan is adopted under the standard consultation procedure (i.e., if no classes are formed and, in judicial reorganization proceedings, in case of failure of the class-based consultation (see section "*Court-administered Proceedings—Judicial Reorganization or Judicial Liquidation Proceedings*" below)).

*Specific case - Creditors that are public institutions*: public creditors (financial administrations, social security and unemployment insurance organizations) may agree to grant debt write-offs under conditions that are similar to those that would be granted under normal market conditions by a private economic operator placed in a similar position. Public creditors may also decide to enter into subordination agreements for liens or mortgages, or relinquish these security interests. Public creditors examine possible debt write-offs within the framework of a local administrative committee (*Commission des Chefs de Services Financiers*). The tax authorities may grant relief from all direct taxes. As for indirect taxes, relief may only be granted from default interest, adjustments, penalties or fines.

Where the plan provides for debt write-offs or rescheduling affecting secured public creditors' claims, the administrator can decide to gather those public creditors within a class (or classes) of affected parties called upon to vote on the proposed plan.

*Court-Administered Proceedings - Accelerated Safeguard*

A debtor that is engaged in conciliation proceedings may request the commencement of accelerated safeguard proceedings (*procédure de sauvegarde accélérée*) enabling it to implement a restructuring plan in an expedited fashion through a class-based consultation.

To be eligible to accelerated safeguard proceedings, the debtor must fulfil the following conditions:

(i) its financial statements must have been certified by an auditor (*commissaire aux comptes*) or drawn-up by a chartered certified accountant (*expert-comptable*);

(ii) the debtor must be subject to ongoing conciliation proceedings when it applies for the commencement of the proceedings;

(iii) the debtor must have prepared a draft safeguard plan ensuring the continuation of its business as a going concern that is likely to be supported by enough parties that will be impaired by such plan to render its

adoption plausible within an initial two-month period that may be extended up to a total maximum of four months, following commencement of the accelerated safeguard proceedings, upon request from the debtor and the court-appointed administrator, upon request from the debtor and the court-appointed administrator;

(iv) the debtor must not have been insolvent for more than 45 days when it initially applied for commencement of conciliation proceedings.

The debtor may request the limitation of the scope of the accelerated safeguard proceedings to its financial creditors only, if the nature of its indebtedness is such that a plan could be adopted by such creditors alone.

If the debtor does not meet the thresholds that require creditors' classes to be formed (see above), the court must order such formation in the decision commencing the proceedings.

The regime applicable to standard safeguard proceedings is broadly applicable to accelerated safeguard proceedings. However, certain provisions relating to ongoing contracts and the provisions relating to the recovery of assets by their owners do not apply in accelerated safeguard proceedings.

The list of claims of affected parties, parties to the conciliation proceedings, established by the debtor and certified by the statutory auditor or the chartered-accountant, shall be deemed to constitute the filing of such claims for the purpose of accelerated safeguard proceedings unless the affected parties otherwise elect to make such filing (see section "*Status of Creditors during Safeguard, Accelerated Safeguard, Judicial Reorganization or Judicial Liquidation Proceedings*" below).

The plan, in the context of accelerated safeguard proceedings, is adopted following the same majority rules as in standard safeguard proceedings and may notably provide for rescheduling, debt cancellation and conversion of debt into equity capital of the debtor.

If a plan is not adopted by the creditors and approved by the court within the applicable deadline, the court shall terminate the proceedings. The court cannot reschedule amounts owed to the creditors outside of the class process and, in particular, cannot impose a term-out.

*Court-Administered Proceedings - Judicial Reorganization or Judicial Liquidation Proceedings*

Judicial reorganization (*redressement judiciaire*) or judicial liquidation (*liquidation judiciaire*) proceedings may be initiated against or by a debtor only if it is insolvent and, in the case of judicial liquidation proceedings only, if the debtor's recovery is manifestly impossible. The debtor is required to petition for judicial reorganization or judicial liquidation proceedings, within 45 days of becoming insolvent if it does not file for conciliation proceedings (as discussed above). *De jure* managers (including directors) and, as the case may be, *de facto* managers that would have failed to file such a petition within the deadline are exposed to civil liability.

Where the debtor requested the commencement of judicial reorganization proceedings and the court, after having heard the debtor, considers that judicial liquidation proceedings would be more appropriate, it may order the commencement of the proceedings that it determines to be most appropriate. The same would apply if the debtor requested the commencement of judicial liquidation proceedings and the court considered that judicial reorganization proceedings would be more appropriate. In addition, at any time during the observation period, upon request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire*), a controller, the public prosecutor, or upon its own initiative, the court may convert the judicial reorganization proceedings into judicial liquidation proceedings if it appears that the debtor's recovery is manifestly impossible. The court's decision is only taken after having heard the debtor, the court-appointed administrator, the creditors' representative, the controllers, the public prosecutor and the workers' representatives (if any).

The objectives of judicial reorganization proceedings are the sustainability of the business, the preservation of employment and the payment of creditors, in that order.

As soon as judicial reorganization or judicial liquidation proceedings are commenced, any unpaid amount of share capital of the debtor becomes immediately due and payable.

In the event of judicial reorganization proceedings, an administrator (*administrateur judiciaire*) is usually appointed by the court to investigate the business of the debtor during an observation period, which may last up to 18 months (instead of a maximum of twelve months under safeguard proceedings), and make proposals either for the reorganization of the debtor (by helping the debtor to elaborate a draft judicial reorganization plan, which is similar to a draft safeguard plan and may include a partial sale of the business), or the partial or total disposal of the business or the liquidation of the debtor. The court-appointed administrator will assist the debtor in making management decisions (*mission d'assistance*) or may be empowered by the court to take over the management and control of the debtor (*mission d'administration*).

Judicial reorganization proceedings broadly take place in a manner that is similar to safeguard proceedings (see above), subject to certain specificities.

Differences exist under judicial reorganization proceedings in respect of class formation and the adoption of the restructuring plan. The main differences are as following:

if the debtor does not meet the required threshold(s) the authorization to form classes of affected parties may also be requested from the supervisory judge by the court-appointed administrator on their own, without the debtor's approval (in addition to being requested by the debtor);

(i) any affected party may submit a draft plan to the vote of the classes. The draft plan shall be submitted, together with the plan proposed by the debtor, at the latest 15 days before the date of the vote;

(ii) if the draft reorganization plan or the plan provides for a change in the equity structure or share transfers, prior approval clauses (*clauses d'agrément*) are deemed null and void.

(iii) if the plan has not been approved by all classes of affected parties, the court can decide to apply the cross-class cram-down mechanism at the request of any affected party (in addition to the debtor or the administrator with the debtor's consent);

(iv) in the event that plan approval through the class-based consultation procedure (whether by regular approval by the classes of affected parties or by a cross-class cram-down) fails, the approval of the plan may occur through the individual consultation rules (see above).

In relation to equity holders, the following is also to be noted in the event of judicial reorganization proceedings:

(i) in case a shareholders meeting is needed to vote to bring the shareholders equity to a level equal to at least one-half of the share capital as required by Article L. 626-3 of the French *Code de commerce*, the court-appointed administrator may request the appointment a court officer (*mandataire de justice*) to convene a shareholders meeting and to vote the restoration of the shareholders' equity up to the amount proposed by the court-appointed administrator on behalf of the shareholders that refuse to vote in favor of such a resolution, if the draft restructuring plan provides for a modification of the equity to the benefit of a third party(ies) undertaking to comply with the reorganization plan;

(ii) if (a) the debtor company has at least 150 employees, or if it controls (within the meaning of the French Code du travail) one or more companies having together at least 150 employees, (b) the disappearance of the debtor company is likely to cause serious harm to the national or regional economy and to local employment, (c) the modification of the debtor company's share capital appears to be the only credible way to avoid harm to the national or regional economy and to allow the continued operation of the business as a going concern, then, at the request of the court-appointed administrator or of the public prosecutor (x) after the review of the options for a total or partial sale of the business and (y) if at least 3 months have elapsed from the court decision commencing the proceedings, provided that the shareholders meetings required to approve the modification of the debtor company's share capital required for adoption of the reorganization plan to be approved have refused such modification, the insolvency court may either:

(a) appoint a court officer (*mandataire*) to convene the shareholders meeting and vote the share capital increase in lieu of the shareholders having refused to do so, up to the amount provided for in the reorganization plan; or

(b) order, in favor of the persons who have undertaken to perform the reorganization plan, the sale of all or part of the share capital held by the shareholders who refused the share capital modification and who hold, directly or indirectly a portion of the share capital providing them with a majority of the voting rights (including as a result of an agreement with other shareholders) or a blocking minority in the debtor company's shareholders meetings, any consent clause being deemed unwritten. The other shareholders have the right to withdraw from the debtor company and request that their shares be purchased simultaneously by the transferees. In the event of a sale ordered by the court, the price of the shares shall, failing agreement between the parties, be set by an expert designated by the court in summary proceedings.

In either of the above cases, the reorganization plan shall be subject to the undertaking of the new shareholders to hold their shares for a certain time set by the court that may not exceed the duration of the reorganization plan.

If the proposed reorganization plans are manifestly unlikely to ensure that the debtor will recover or if no reorganization plan is proposed, the court upon the request of the administrator, can order the total or partial sale of the business as part of a court-ordered disposal plan (*plan de cession*).

At any time during the observation period, the court may, at the request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire*), the public prosecutor or at its own initiative, order a partial cessation of activity (*cessation partielle de l'activité*) or order the liquidation of the debtor if its reorganization is manifestly impossible. At the end of the observation period, the outcome of the proceedings is decided by the court.

If the court decides to order the judicial liquidation of the debtor, the court will appoint a liquidator, which is generally the former creditors' representative (*mandataire judiciaire*). There is no observation period in judicial liquidation proceedings nor does the law limit their duration (except with respect to simplified judicial liquidation proceedings). The liquidator is vested with the power to represent the debtor and perform the liquidation operations (mainly liquidate the assets and settle the liabilities to the extent the proceeds from the liquidated assets are sufficient, in accordance with the creditors' priority order of payment). The liquidator will take over the management and control of the debtor and the managers of the debtor are no longer in charge of its management.

Concerning the liquidation of the assets of the debtor, there are two possible outcomes, both of which are decided by the court without a vote of the creditors:

(i) a sale of the business (*cession d'entreprise*) (in which case a court-appointed administrator (*administrateur judiciaire*) will usually be appointed to manage the debtor during a temporary period of continuation of the business operations ordered by the court (three months, renewable once) and organize such sale of the business as a going-concern via an asset sale, a.k.a. a "disposal plan" (*plan de cession*)), any third party (as construed under French insolvency law) being entitled to present a bid on all or part of the debtor's business.

As part of the bids submitted to the court, the third-party purchaser can cherry-pick assets (including the real estate assets)/jobs/contracts without the liabilities pertaining to them (save exceptions). The price offered for the transferred assets (including the real estate assets) is usually at a significant discount compared to their going-concern market value. The court will tend to favor a credible disposal plan that ensures the continuation of the business as a going-concern and the preservation of jobs, over the payment of creditors.

Subject to certain exceptions, the court can judicially impose such a disposal plan on creditors, including secured creditors and mortgagees as a general principle, the payment of the purchase price operating to release their security interests. By way of exception:

(a) a purchaser is obliged to continue to pay the remaining instalments due to creditors having granted financing for the acquisition of assets, used as collateral for such creditors and included in the sale of the business plan;

(b) the purchaser will be able to exercise the purchase option under a financial lease only if the outstanding amounts under such lease are repaid (but within the limit of the value of the leased asset as set by agreement between the parties or, failing such agreement, by the court); and

(c) only those secured creditors benefitting from a retention right (which is the case for pledges over inventory or certain types of pledges over shares, but not mortgages over real estate assets) would be entitled to retain their security interest over the asset on which they have such right (and therefore in practice prevent its sale) until they are repaid in full of their claim so secured or unless an agreement is reached with the relevant parties.

Third-party purchasers may also submit combined bids in respect of all or part of the business of several debtors subject to insolvency proceedings, in particular when the key assets are located in different legal entities subject to insolvency proceedings. Again, the price offered for the transferred assets could be significantly less than their going-concern market value; or

(ii) separate sales of the individual assets of the debtor, in which case the liquidator may decide to:

(a) launch auction sales (*vente aux enchères* or *adjudication amiable* for real estate assets only);

(b) sell on an amicable basis (*vente de gré à gré*) each asset for which spontaneous purchase offers have been received, (the formal authorization of the supervisory judge being necessary to conclude the sale agreement with the bidder); or

(c) request, under the supervision of the supervisory judge, all potential interested purchasers to bid on each asset, as the case may be, by way of a private competitive process whereby the bidders submit their offers only at the hearing without the proposed prices being disclosed before such hearing (*procédure des plis cachetés*). However, the possibility to implement such process is questioned by certain legal authors and case-law in this respect has varied.

If the court orders a disposal plan, it can set a time-period during which the assets that it deems to be essential to the continuation of the business of the debtor may not be sold without its consent.

The court will end the judicial liquidation proceedings when:

(i) no due liabilities remain, or the liquidator has sufficient funds to pay off the creditors (*extinction du passif*); or

(ii) continuation of the liquidation operations becomes impossible due to insufficiency of assets (*insuffisance d'actif*).

The court may also terminate the proceed:

(i) when the interest of the continuation of the liquidation process is disproportionate compared to the difficulty of selling the assets; or

(ii) in the event where there are insufficient funds to pay off the creditors in full, by appointing a *mandataire* in charge of continuing ongoing lawsuits and allocating the amounts received from these lawsuits between the remaining creditors.

*The "Hardening Period" (période suspecte) in judicial reorganization and judicial liquidation proceedings*

The date of insolvency (*cessation des paiements*) of a debtor is deemed to be the date of the court decision commencing the proceedings, unless, in this decision or in a subsequent one, the court sets an earlier date, which may be no earlier than 18 months before the date of the court decision commencing the proceedings. Also, except in the case of fraud, the insolvency date may not be set at a date earlier than the date of the final court

decision that approved an agreement (*homologation*) in the context of conciliation proceedings (see above). The insolvency date is important because it marks the beginning of the hardening period (*période suspecte*), being the period from the insolvency date of the debtor to the court decision commencing the judicial reorganization or judicial liquidation proceedings affecting it.

Certain transactions entered into during the hardening period are automatically void or voidable by the court.

Automatically void transactions include transactions or payments entered into during the hardening period that may constitute voluntary preferences for the benefit of some creditors to the detriment of other creditors. These include transfers of assets for no consideration or for a nominal consideration, contracts under which the obligations of the debtor significantly exceed the reciprocal obligations of the other party, payments of debts not due at the time of payment, payments of debts that are due made in a manner that is not commonly used in the ordinary course of business, deposits of cash or monetary instruments ordered by a court decision that has not yet become final to serve as bond or as a precautionary measure in accordance with Article 2350 of the French *Code civil*, security granted for debts previously incurred (unless they replace a previous security interest of at least an equivalent nature and base and with the exception of the assignment of a professional receivables (*Dailly* assignment) made in execution of a framework agreement entered into prior to the date of insolvency), provisional attachment or seizure measures (*mesures conservatoires*) (unless the attachment or seizure predates the date of insolvency), operations relating to stock options, the transfer of any assets or rights to a trust arrangement (*fiducie*) (unless such transfer is made as security for a debt simultaneously incurred), any amendment to a trust arrangement (*fiducie*) that affects assets or rights already transferred in the trust as security for debt incurred prior to such amendment, and notarized declarations of exemption of assets from seizure (*déclaration d'insaisissabilité*) pursuant to Article L. 526-1 of the French *Code de commerce*.

Transactions that are voidable by the court include payments made on debts that are due, transactions for consideration, administrative seizure measures, notices of attachments made to third parties (*avis à tiers détenteur*), seizures (*saisie attribution*) and oppositions made during the hardening period, in each case if the court determines that the party dealing with the debtor knew that the debtor was insolvent at the relevant time. Transactions relating to the transfer of assets for no consideration and notarized declarations of exemption of assets from seizure (*déclaration d'insaisissabilité*) pursuant to Article L. 526-1 of the French *Code de commerce* are also voidable when entered into during the six-month period prior to the beginning of the hardening period. Unlike automatically void transactions, which must be set aside by the court if so requested, the court has discretion to decide whether or not it is appropriate to set aside transactions that are only "voidable". There is no hardening period prior to safeguard proceedings or to accelerated safeguard proceedings.

*Creditor Liability*

Pursuant to Article L. 650-1 of the French *Code de commerce* (as interpreted by case law), where safeguard, judicial reorganization, or judicial liquidation proceedings have been commenced, creditors may only be held liable for the losses suffered as a result of credit facilities granted to the debtor, if the granting of such credit was wrongful and in the case of (i) fraud, (ii) material interference with the management of the debtor or (iii) if the security or guarantees taken to support the facilities are disproportionate to such facilities. In addition, any security or guarantees taken to support facilities in respect of which a creditor is found liable on any of these grounds can be cancelled or reduced by the court.

*Extension of insolvency proceedings*

French law provides that, upon the petition of the debtor, the State prosecutor, the court-appointed administrator, the creditors' representative, the controllers or the liquidator, the insolvency proceedings of a company may be extended to another company or individual, so that their respective assets and liabilities will be treated as belonging to one single insolvency estate, if (i) the debtor is deemed "fictitious", i.e., a sham, or (ii) the debtor "commingled its assets and liabilities" with another entity, i.e., either it proves impossible to determine which assets and liabilities belong to each of them or "abnormal financial relationships" existed between the two entities (such as transfers of assets or funds without consideration).

*Status of Creditors during Safeguard, Accelerated Safeguard, Judicial Reorganization or Judicial Liquidation Proceedings*

Contractual provisions pursuant to which the commencement of the proceedings triggers the acceleration of the debt (except with respect to judicial liquidation proceedings in which the court does not order the continued operation of the business) or the termination or cancellation of an ongoing contract are not enforceable against the debtor. Nor are "*contractual provisions modifying the conditions of continuation of an ongoing contract, diminishing the rights or increasing the obligations of the debtor solely upon the opening of judicial reorganization proceedings*" (in accordance with a decision of the French Supreme Court dated January 14, 2014, no. 12-22.909, which case law is likely to be extended to safeguard or accelerated safeguard proceedings). However, except in accelerated safeguard proceedings and judicial liquidation proceedings where the continued operation of the business has not been ordered by the court, the court-appointed administrator can unilaterally decide to terminate ongoing contracts (*contrats en cours*) that it believes the debtor will not be able to continue to perform, and request from the supervisory judge (*juge commissaire*) the termination of the said contracts if it appears necessary to the restructuring of the debtor and does not excessively harm the interests of the other party. Conversely, the court-appointed administrator can require that other parties to a contract continue to perform their obligations even though the debtor may have been in default, but on the condition that the debtor fully performs its post-commencement contractual obligations (and provided that, in the case of judicial reorganization or judicial liquidation proceedings, absent consent to other terms of payment, the debtor pays cash on delivery). The commencement of judicial liquidation proceedings, however, automatically accelerates the maturity of all of a debtor's obligations unless the court orders the continued operation of the business with a view to the adoption of a disposal plan (*plan de cession*) as described above. In such case, the acceleration of the obligations will only occur on the date of the court decision ordering the disposal plan, as described above, or on the date on which the continued operation of the business ends.

As from the court decision commencing the proceedings:

(i) accrual of interest is suspended, except in respect of loans for a term of at least one year, or of contracts providing for a payment that is deferred by at least one year (however, accrued interest can no longer be compounded);

(ii) the debtor is prohibited from paying debts incurred prior to the commencement of the proceedings, subject to specified exceptions, which essentially cover the set-off of related (*connexes*) debts and payments authorized by the supervisory judge (*juge commissaire*) to recover assets (whether they be pledged, retained by a creditor based on a retention right or constitute collateral in a security trust estate (*patrimoine fiduciaire*) required by the continued operation of the business) or to pay a carrier requesting payment directly from the debtor;

(iii) the debtor is prohibited from paying debts having arisen after the commencement of the proceedings unless they were incurred for the purposes of the proceedings or of the observation period or in consideration of services rendered/goods provided to the debtor; security interests can be granted as regards such debts the payment of which is not prohibited, subject to prior authorization by the supervisory judge;

(iv) debts duly arising after the commencement of the proceedings and that were incurred for the purposes of the proceedings or of the observation period, or in consideration of services rendered/goods provided to the debtor during this period, must be paid as and when they fall due and, if not, will be given priority over debts incurred prior to the commencement of the proceedings (with certain limited exceptions, such as claims secured by a Conciliation Lien or a Judicial Restructuring Lien), provided that they are duly brought to the attention of the judicial administrator or, failing one, the creditors' representative (*mandataire judiciaire)*, or, should they both have ceased to be in office, the plan commissioner or the judicial liquidator within one year of the end of the observation period;

(v) creditors (or beneficiaries of a third-party security granted by the debtor) may not initiate or pursue any individual legal action against the debtor (or against a guarantor of the debtor where such guarantor is a natural person) with respect to any claim arising prior to the court decision commencing the proceedings, if the objective of such legal action is:

(a) to obtain an order for payment of a sum of money by the debtor to the creditor (however, the creditor may require that a court determine the amount due in order to file a proof of claim, as described below);

(b) to terminate a contract for nonpayment of amounts owed to the creditor; or

(c) to enforce the creditor's rights against any assets of the debtor, including if such assets secure third party debt, except (i) in judicial liquidation proceedings, by way of the applicable specific process for judicial foreclosure (*attribution judiciaire*) of the pledged assets or (ii) where such asset- whether tangible or intangible, movable or immovable is located in another Member State within the European Union, in which case the rights *in rem* of creditors thereon would not be affected by the insolvency proceedings commenced in France, in accordance with the terms of Article 8 of the EU Insolvency Regulation (subject to secondary proceedings which may be commenced in such Member State). Similarly, the rights of a creditor on the debtor's assets located outside France and the EU would only be affected by the French insolvency proceedings if they were to be recognized by the local courts where the assets at stake are located (unless provided otherwise in a treaty to which France is a party); and

(vi) any increase to the base of a contractual security interest or a contractual retention right: (by any means whatsoever, by adding or supplementing assets or rights, in particular by registration of securities or proceeds supplementing the securities registered in a pledged securities account) is prohibited; any contrary provision, in particular relating to the transfer of future assets or rights of the debtor not yet in existence on the date of the judgment commencing the proceedings, will be held unenforceable as from the date of commencement of the proceedings; by exception, the increase in the base of a contractual security interest may however validly result from an assignment of professional receivables (*Dailly* assignment) pursuant to a master agreement entered into before commencement of the proceedings or from other specific contrary provisions of the French *Code de commerce* regarding restructuring and insolvency, the French *Code monétaire et financier* or the French *Code des assurances* and

(vii) in the context of reorganization or judicial liquidation proceedings only, absent consent to other terms of payment, immediate cash payment for services rendered pursuant to an ongoing contract (*contrat en cours*), will be required.

A natural person that is the guarantor of the debtor may avail itself of the provisions of a safeguard plan or of a judicial reorganization plan adopted by the court.

In accelerated safeguard, the above rules would only apply to the creditors that fall within the scope of the proceedings (see above). Debts owed to creditors that are not within the scope of the proceedings continue to be payable in the ordinary course of business.

As a general rule, creditors domiciled in metropolitan France whose claims arose prior to the commencement of the proceedings must file a claim with the court-appointed creditors' representative within two months of the publication of the court decision in the relevant official gazette (*Bulletin Officiel des Annonces Civiles et Commerciales*); this period is extended to four months for creditors domiciled outside metropolitan France. Creditors must also file a claim for the post-commencement non-privileged debts, with respect to which the two-month or four-month period referred to above starts to run as from their maturity date. Creditors whose claims have not been submitted during the relevant period are, except for limited exceptions, barred from receiving distributions made in connection with the proceedings. Employees are not subject to such limitations and are preferred creditors under French law.

In addition, the holder of a security interest *in rem* granted by the debtor to secure the debt of a third party must also file a statement of claim with the creditors' representative under the same conditions.

At the beginning of the proceedings, the debtor must provide the court-appointed administrator and the creditors' representative with the list of all its creditors and all of their claims. Where the debtor has informed the creditors' representative of the existence of a claim, the claim as reported by the debtor is deemed to be a filing of the claim with the creditors' representative on behalf of the creditor. Creditors are allowed to ratify or amend a

proof of claim so made on their behalf until the supervisory judge rules on the admissibility of the claim. They may also file their own proof of claim within the deadlines described above.

In accelerated safeguard proceedings however, the debtor draws a list of the claims of its creditors having taken part in the conciliation proceedings, which is certified by its statutory auditors or chartered certified accountant. Although such creditors may file proofs of claim as part of the regular process, they may also avail themselves of this simplified alternative and merely adjust, if necessary, the amounts of their claims as set forth in the list prepared by the debtor (within the above two- or four-months' time limit). Creditors that did not take part in the conciliation proceedings must file their proofs of claim within the aforementioned deadlines.

If the court adopts a safeguard plan, accelerated safeguard plan or reorganization plan, claims of creditors included in the plan will be paid according to the terms of the plan.

If the court orders a disposal plan (*plan de cession*) of the debtor in judicial reorganization or judicial liquidation proceedings (see above), the proceeds of the sale will be allocated towards the repayment of its creditors according to the ranking of the claims. If the court decides to order the judicial liquidation of the debtor, the liquidator appointed by the court will be in charge of settling the debtor's debts in accordance with their ranking.

French insolvency law assigns priority to the payment of certain preferred creditors, including employees, post-commencement legal costs (essentially, court officials fees), creditors who benefit from a Conciliation Lien or a Judicial Restructuring Lien (see above), post-commencement privileged creditors and public creditors (i.e., taxes and social charges). In the event of judicial liquidation proceedings only, certain pre-commencement secured creditors whose claim is secured by real estate are paid prior to post-commencement privileged creditors. This order of priority is not relevant to all creditors, for example creditors benefiting from a retention right over assets with respect to their claim related to such asset will be treated separately.

*Fraudulent Conveyance*

French law contains specific, "*action paulienne*" provisions dealing with fraudulent conveyance both in and outside insolvency proceedings. The *action paulienne* offers creditors protection against a decrease in their means of recovery. A legal act performed by a debtor (including, without limitation, an agreement pursuant to which such debtor guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of such debtor's or a third party's obligations, enters into additional agreements benefiting from existing security or any other legal act having similar effect) can be challenged in or outside insolvency proceedings of the relevant debtor by the creditors' representative (*mandataire judiciaire*), the commissioner of the safeguard or reorganization plan (*commissaire à l'exécution du plan*) insolvency proceedings of the relevant debtor, or by any of the creditors of the relevant debtor outside the insolvency proceedings or any creditor who was prejudiced in its means of recovery as a consequence of the act in or outside insolvency proceedings. Any such legal act may be declared unenforceable against third parties if:

(i) the debtor performed such act without an obligation to do so;

(ii) the relevant creditor or (in the case of the debtor's insolvency proceedings) any creditor was prejudiced in its means of recovery as a consequence of the act; and

(iii) at the time the legal act was performed, both the debtor and the counterparty to the transaction knew or should have known that one or more of such debtor's creditors (existing or future) would be prejudiced in their means of recovery (where the legal act was entered into for no consideration (*à titre gratuit*), no such knowledge of the counterparty is necessary).

If a court found that the issuance of the Notes involved a fraudulent conveyance that did not qualify for any defense under applicable law, then the issuance of the Notes could be declared unenforceable against third parties or declared unenforceable against the creditor who lodged the claim in relation to the relevant act. As a result of such successful challenges, holders of the Notes may not enjoy the benefit of the Notes and the value of any consideration that holders of the Notes received with respect to the Notes could also be subject to recovery from the holders of the Notes and, possibly, from subsequent transferees. In addition, under such circumstances, holders of the Notes might be held liable for any damages incurred by prejudiced creditors of the Issuer as a result of the fraudulent conveyance.

## PLAN OF DISTRIBUTION

Each of the Initial Purchasers, in their capacities as initial purchasers, pursuant to a purchase agreement, dated , 2025 (the "**Purchase Agreement**"), has agreed with us, severally and not jointly, subject to the satisfaction of certain conditions, to subscribe and pay for the Notes at the initial purchase price specified therein, less subscription and underwriting fees and certain expenses to be agreed between the Issuer and the Initial Purchasers. The Purchase Agreement entitles the Initial Purchasers to terminate the Purchase Agreement in certain circumstances prior to payment being made to the Issuer.

The Initial Purchasers are Natixis, Société Générale, BofA Securities Europe SA, Deutsche Bank Aktiengesellschaft, Crédit Industriel et Commercial S.A., Commerzbank Aktiengesellschaft, Intesa Sanpaolo S.p.A. and Landesbank Hessen-Thüringen Girozentrale.

Pursuant to the Purchase Agreement, the Issuer has agreed to indemnify the Initial Purchasers against certain liabilities.

The Notes will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Initial Purchasers have advised us that they presently intend to make a market in the Notes as permitted by applicable laws and regulations. The Initial Purchasers are not obligated, however, to make a market in the Notes and any such market making may be discontinued at any time at the sole discretion of the Initial Purchasers. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes. See "*Risk Factors—Risks Related to the Notes—There currently exists no market for the Notes, and we cannot provide assurance that an active trading market will develop for the Notes*".

The Notes will initially be offered at the price indicated on the cover page hereof. After the initial offering of the Notes, the offering price and other selling terms of the Notes may from time to time be varied by the Initial Purchasers without notice.

We have applied, through our listing agent in Ireland, to have the Notes listed on the Official List of Euronext Dublin and to admit the Notes to trading on the Global Exchange Market. Neither the Initial Purchasers nor we can assume that the Notes will be approved for admission to listing and trading, and will remain listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market.

The Initial Purchasers or their respective affiliates have provided in the past and may provide in the future investment banking, commercial lending, consulting and financial advisory services to us and our affiliates in the ordinary course of business for which we may receive customary advisory and transaction fees and expense reimbursement. Certain of the Initial Purchasers and their affiliates are lenders under our Syndicated Credit Facility. In addition, certain of the Initial Purchasers and/or their affiliates have entered into factoring arrangements with us for which they may receive customary fees.

The Initial Purchasers or their respective affiliates may enter into derivative and/or structured transactions with their customers in connection with the Notes and the Initial Purchasers or their respective affiliates may also purchase some of the Notes to hedge their risk exposure in connection with such transactions. Also, the Initial Purchasers or their respective affiliates may acquire for their own account the Notes offered hereby. Such acquisitions may have an effect on the demand and the price of the Notes. In connection with the Offering, the Initial Purchasers may purchase and sell the Notes in the open market. These transactions may include short sales and purchases on the open market to cover positions created by short sales. Short sales involve the sale by the Initial Purchasers of a greater principal amount of Notes than they are required to purchase in the Offering. The Initial Purchasers must close out any short position by purchasing Notes in the open market. A short position is more likely to be created if the Initial Purchasers are concerned that there may be downward pressure on the price of the Notes in the open market after pricing that could adversely affect investors who purchase in the Offering. Similar to other purchase transactions, the Initial Purchasers' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of the Notes or preventing or retarding a decline in the market price of the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market. Neither we nor any of the Initial Purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on

the price of the Notes. In addition, neither we nor any of the Initial Purchasers make any representation that we will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

In addition, in the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates, including the 2026 Notes. Certain of the initial purchasers or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such short positions could adversely affect future trading prices of the notes offered hereby. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

To the extent that any Initial Purchaser that is not a U.S. registered broker dealer intends to effect any sales of the Notes in the United States, it will do so through one or more U.S. registered broker dealer affiliates as permitted by guidelines promulgated by the Financial Industry Regulatory Authority. The Initial Purchasers reserve the right to withdraw, cancel or modify offers to investors and to reject orders in whole or in part.

Landesbank Hessen-Thüringen Girozentrale and Crédit Industriel et Commercial S.A. are non-U.S. banks or dealers that are not registered as broker-dealers under Section 15 of the Securities Act, and therefore agree that, while acting as Initial Purchasers in respect of the Notes and in any event during the term of the Purchase Agreement, they will not, directly or indirectly, make use of any U.S. mails or any means or instrumentality of interstate commerce to effect transactions in, or induce or attempt to induce the purchase or sale of any Notes except for transactions in compliance with Rule 15a-6 under the Securities Act or as otherwise permitted by Section 15 of the Securities Act and the rules and regulations thereunder. The ability of Landesbank Hessen-Thüringen Girozentrale and Crédit Industriel et Commercial S.A. to engage in U.S. securities dealing is limited under the U.S. Bank Holding Company Act and it may not underwrite, offer or sell securities that are offered or sold in the United States. Landesbank Hessen-Thüringen Girozentrale and Crédit Industriel et Commercial S.A. will only underwrite, offer and sell the securities that are part of their respective allotments solely to non-U.S. persons outside the United States. See "*Transfer Restrictions*" and the representations of each Initial Purchaser set forth below.

We expect that delivery of the Notes will be made against payment on the Notes on the Issue Date, which will be the third business day following the date of pricing of the Notes (this settlement cycle is being referred to as "T+3"). Trades in the secondary market generally are required to settle in one business day unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of this Offering Memorandum or the following business day will be required to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to make such trades should consult their own advisors.

**Selling Restrictions**

***United States***

The Notes have not been and will not be registered under the Securities Act, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Initial Purchaser has agreed that, except as permitted by the Purchase Agreement, it will not offer or sell the Notes (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after the later of the commencement of the offering and the Closing Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes (other than a sale pursuant to Rule

144A) during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold outside of the United States to non-U.S. persons in reliance on Regulation S. The Purchase Agreement provides that Initial Purchasers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Notes within the United States only to qualified institutional buyers in reliance on Rule 144A.

In addition, until 40 calendar days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

***Prohibition of Sales to EEA Retail Investors***

Each Initial Purchaser has represented and agreed in the Purchase Agreement, severally and not jointly, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available, any Notes to any EEA retail investor in the European Economic Area. For the purposes of this provision the expression "**EEA retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**").

***United Kingdom***

Each Initial Purchaser has represented and agreed in the Purchase Agreement, severally and not jointly, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available, any Notes to any UK retail investor in the United Kingdom. For the purposes of this provision the expression "**UK retail investor**" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in the Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**").

Each Initial Purchaser has represented and agreed, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

***France***

Each Initial Purchaser has represented and agreed that it has only offered or sold and will only offer or sell, directly or indirectly, any Notes in France pursuant to an exemption under Article L. 411-2 1° of the French *Code monétaire et financier*.

***Italy***

The Offering has not been cleared by the *Commissione Nazionale per la Società e la Borsa* ("**CONSOB**") (the Italian securities exchange commission) pursuant to Italian securities legislation and will not be subject to formal review by CONSOB. Accordingly, the Notes may not be offered, sold or delivered, directly or indirectly nor may copies of this Offering Memorandum or of any other document relating to the Notes be distributed in the Republic of Italy, except (a) to qualified investors (*investitori qualificati*) pursuant to Article 2 of the Prospectus Regulation, Article 100 of Legislative Decree No.58 of February 24, 1998, as amended (the "**Financial Services Act**") and the implementation CONSOB regulations, including CONSOB Regulation No. 20307 of February 15, 2018, as amended ("**Regulation 20307**"), pursuant to Article 34-*ter,* first paragraph letter (b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended ("**Regulation 11971**"), implementing Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the "**Italian Financial Act**") and (b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Italian Financial Act and the implemented CONSOB regulations, including Regulation 11971.

For the purposes of this provision, the expression "**offer of the Notes to the public**" in Italy means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, including the placement through authorized intermediaries.

No offer, sale or delivery of the Notes or distribution of copies of this Offering Memorandum or of any other document relating to the Notes in the Republic of Italy will be carried out in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Any such offer, sale or delivery of the Notes or distribution of copies of this Offering Memorandum or any other document relating to the Notes in the Republic of Italy must be in compliance with the selling restrictions under (a) and (b) above and must be:

(i) made by *soggetti abilitati* (including investment firms, banks or financial intermediaries, as defined by Article 1, first paragraph, letter (r), of the Italian Financial Act), to the extent duly authorized to engage in the placement or underwriting or purchase of financial instruments in the Republic of Italy in accordance with the relevant provisions of the Italian Financial Act, Regulation 20307, as amended, Italian Legislative Decree No. 385 of September 1, 1993, as amended (the "**Italian Banking Act**"), Regulation 11971 and any other applicable laws and regulations;

(ii) in compliance with all relevant Italian securities, tax, exchange control and any other applicable laws and regulations and any other applicable requirement or limitation that may be imposed from time to time by CONSOB, the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) or any other relevant Italian competent authorities; and

(iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or any other Italian authority.

Any investor purchasing the Notes is solely responsible for ensuring that any offer, sale, delivery or resale of the Notes by such investor occurs in compliance with applicable Italian laws and regulations.

## TRANSFER RESTRICTIONS

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes offered hereby.

The Issuer has not registered the Notes under the Securities Act, and therefore, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Issuer is offering and selling the Notes only:

- inside the United States to "qualified institutional buyers" as defined in Rule 144A ("**QIBs**") in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A; and
- outside the United States in offshore transactions to purchasers that are not U.S. persons in reliance on Regulation S.

The terms "offshore transactions", "United States" and "U.S. person" have the meanings given to them by Regulation S.

The Notes are subject to restrictions on transfer as summarized below. By purchasing Notes, you will be deemed to have made the following acknowledgements, representations to and agreements with the Group and the Initial Purchasers:

(1) You understand and acknowledge that the Notes have not been registered under the Securities Act or any other applicable securities laws and that the Notes are being offered for resale in a transaction not requiring registration under the Securities Act or any other securities laws, including sales pursuant to Rule 144A, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities laws, pursuant to an exemption therefrom, or in a transaction not subject thereto, and in each case in compliance with the conditions to transfer set forth in paragraph (4) below.

(2) You are not an "affiliate" (as defined in Rule 144 under the Securities Act) of the Issuer, you are not acting on the Issuer's behalf and you are either: (a) a QIB and are aware that any sale of these Notes to you will be made in reliance on Rule 144A and such acquisition will be for your own account or for the account of another QIB; or (b) not a U.S. person or purchasing for the account or benefit of a U.S. person (other than a distributor), and you are purchasing Notes in an offshore transaction in accordance with Regulation S.

(3) You acknowledge that none of the Issuer, the Initial Purchasers, nor any person representing the Issuer or the Initial Purchasers has made any representation to you with respect to the Issuer or the offer and sale of the Notes, other than the information contained in this Offering Memorandum, including the information incorporated by reference herein. You represent that you are relying only on this Offering Memorandum in making your investment decision with respect to the Notes. You agree that you have had access to such financial and other information concerning the Issuer and the Notes as you have deemed necessary in connection with your decision to purchase Notes, including an opportunity to ask questions of and request information from, the Issuer and the Initial Purchasers.

(4) You represent that you are purchasing the Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution of the Notes in violation of the Securities Act. You agree on your own behalf and on behalf of any investor account for which you are purchasing Notes, and each subsequent holder of the Notes by its acceptance of the Notes will agree that the Notes may be offered or sold or otherwise transferred:

(i) only to the Issuer or any of its subsidiaries;

(ii) under a registration statement that has been declared effective under the Securities Act;

(iii) for so long as the Notes are eligible for resale under Rule 144A, to a person the seller reasonably believes is a QIB that is purchasing for its own account or for the account of another QIB and to whom notice is given that the transfer is being made in reliance on Rule 144A;

(iv) through offers and sales that occur outside the United States in compliance with Regulation S; or

(v) under any other available exemption from the registration requirements of the U.S. Securities Act;

subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller or account's control and in compliance with applicable state and other securities laws, and any applicable local laws and regulations, provided that, as to the Regulation S Notes only, the restriction set forth above applies only until the date that is 40 days after the later of the date of issuance of the Notes and the last date on which the Issuer or any of its affiliates was the owner of such Notes (or any predecessor thereto). Resales pursuant to the above restriction are further subject to the Issuer's, the Transfer Agent's, the Registrar's or the Trustee's rights prior to any such offer, sale or transfer (I) pursuant to clause (iv) and (v) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them and (II) in each of the foregoing cases, to require that a certificate of transfer in the form appearing on the reverse of the security is completed and delivered by the transferor to the Transfer Agent, the Registrar or the Trustee.

(5) You represent and warrant that either (i) you are not purchasing or holding the Notes (or any interest therein) on behalf of, and that the funds you are using to acquire the Notes (or any interest therein) are not the assets of, (a) an employee benefit plan that is subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (b) an individual retirement account, Keogh plan or other arrangement subject to Section 4975 of the Code, (c) an entity whose underlying assets are deemed to include "plan assets" by reason of U.S. Department of Labor Regulation Section 2510.3-101, Section 3(42) of ERISA or otherwise or (d) a governmental plan, non-U.S. plan or church plan that is subject to any non-U.S. federal, state or local law or regulation that is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code (each, a "**Similar Law**"); or (ii) (a) none of the purchase, holding and subsequent disposition of such Notes (or any interest therein) or the exercise of any rights related to the security shall constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any provision of Similar Law and (b) the acquiror or holder of the Notes will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code) in connection with the purchase and holding of the Note.

(6) With respect to each purchaser or transferee that is a Plan, (i) none of the Issuer and the Initial Purchasers, nor any of their affiliates, has provided, and none of them will provide, any investment advice within the meaning of Section 3(21) of ERISA to it or to any Plan Fiduciary, in connection with its decision to invest in the Notes, and they are not otherwise acting as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Plan or the Plan Fiduciary in connection with the Plan's acquisition of the Notes (unless a statutory or administrative exemption applies (all of the applicable conditions of which are satisfied) or the transaction is not otherwise prohibited); and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the investment in the Notes.

(7) Each purchaser acknowledges that each Note will contain a legend substantially in the following form:

"THIS SECURITY HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR OTHER SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, PLEDGED, ENCUMBERED, TRANSFERRED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO,

THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" ("QIB") (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) ("RULE 144A") OR (B) IT IS A NON-U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 904 OF REGULATION S UNDER THE SECURITIES ACT ("REGULATION S"), (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE"), WHICH IS [IN THE CASE OF RULE 144A NOTES: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY)] [IN THE CASE OF REGULATION S NOTES: 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS NOTE WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S)] ONLY (A) TO THE ISSUER OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES [IN THE CASE OF REGULATION S NOTES: TO NON-U.S. PERSONS] THAT OCCUR OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S, THE TRANSFER AGENT'S, THE REGISTRAR'S OR AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRANSFER AGENT, THE REGISTRAR OR THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS "U.S. PERSON," "OFFSHORE TRANSACTION" AND "UNITED STATES" HAVE THE MEANING GIVEN TO THEM BY REGULATION S"

If you purchase Notes, you will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

(8) You acknowledge that until 40 days after the commencement of the offering, any offer or sale of the Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

(9) You acknowledge that the Registrar will not be required to accept for registration of transfer any Notes acquired by you, except upon presentation of evidence satisfactory to us and the Registrar that the restrictions set forth herein have been complied with.

(10) You acknowledge that the Issuer the Initial Purchasers and others, will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of Notes is no longer accurate, you will promptly notify the Issuer and the Initial Purchasers in writing. If you are purchasing any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

(11) You agree that you will give to each person to whom you transfer these Notes notice of any restrictions on the transfer of the Notes.

(12) You understand that no action has been taken in any jurisdiction (including in the United States) by the Issuer or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this Offering Memorandum or any other material relating to the Issuer or the Notes in any jurisdiction where action for that purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth herein and under "*Plan of Distribution*."

(13) You represent that you are not a "retail investor" in the U.K. For purposes of this paragraph, the expression "retail investor" means a person who is one (or more) of:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of the U.K. Prospectus Regulation.

(14) You understand and acknowledge that no key information document required by the EU PRIIPs Regulation or the U.K. PRIIPs Regulation in the U.K. or for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the U.K. has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the U.K. may be unlawful under the EU PRIIPs Regulation or the U.K. PRIIPs Regulation.

(15) You represent that you are a "relevant person," where "relevant persons" are persons who are: (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Promotion Order (the "Order"); (ii) persons falling within Article 49 ("high net worth companies, unincorporated associations, etc.") of the Order; (iii) persons outside the United Kingdom; or (iv) persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the FSMA in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated.

(16) You represent that you are not a "retail investor" in the EEA. For purposes of this paragraph, the expression "retail investor" means a person who is one (or more) of:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation.

## ENFORCEABILITY OF JUDGMENTS

The Issuer is a public company with limited liability (*société européenne*) incorporated under the laws of the Republic of France, and most of the directors and officers of the Issuer reside outside the United States. In addition, a substantial portion of the Issuer's assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States on the Issuer.

It may also be difficult to enforce against the Issuer, either inside or outside the United States, judgments obtained against the Issuer in U.S. courts, or to enforce in U.S. courts, judgments obtained against the Issuer in courts in jurisdictions outside the United States, in any action based on civil liabilities under the U.S. federal securities laws. There is some doubt as to the enforceability against such persons in France, whether in original actions or in actions to enforce judgments of U.S. courts, of liabilities based solely on the U.S. federal securities laws.

A party in whose favor such judgment was rendered could initiate recognition and enforcement proceedings (*exequatur*) in France before the relevant civil court that has exclusive jurisdiction over such matter.

Since a decision rendered by the French Court of Cassation on February 20, 2007, and in accordance with Article 509 of the French Civil Code of Procedure, enforcement in France of such U.S. judgment could be obtained following proper (i.e., not *ex-parte*) proceedings if the competent French court is satisfied that the following cumulative conditions have been met (which conditions, under prevailing French case law as of the date of this offering memorandum, do not include a review by the French courts of the merits of the U.S. judgment):

- such U.S. judgment was rendered by a court having jurisdiction over the matter because the dispute is sufficiently or substantially connected to the jurisdiction of the U.S. court, the choice of the U.S. court was not fraudulent and French courts did not have exclusive jurisdiction over the matter;
- such U.S. judgment does not contravene French international public policy rules, both pertaining to the merits and to the procedure of the case, including principles of due process and notably the right to a fair trial;
- such U.S. judgment is not tainted with fraud under French law;
- such U.S. judgment is enforceable in the jurisdiction of the court which rendered it; and
- the U.S. judgment does not conflict with a French judgment or foreign judgment that has become effective in France (*res judicata*) and there are no proceedings pending before French courts at the time enforcement of the U.S. judgment is sought and having the same or similar subject matter as such U.S. judgment (in this latter case, *exequatur* proceedings may be stayed).

If the French civil court is satisfied that such conditions are met, the U.S. judgment will benefit from the *res judicata* effect as of the date of the decision of the French civil court and will thus be declared enforceable in France. However, the decision granting the *exequatur* is subject to appeal, with the appeal court decision also being rendered on the ground of the above-mentioned criteria.

In addition, actions in the United States under the U.S. federal securities laws could be affected under certain circumstances by the French law No. 68-678 of July 26, 1968, as modified by the French law No. 80-538 of July 16, 1980 (relating to the communication of documents and information of an economic, commercial, industrial, financial or technical nature to foreign authorities or persons), French Ordinance No. 2000-916 of September 19, 2000 (relating to the communication of documents and information of an economic, commercial, industrial, financial or technical nature to foreign authorities or persons) and French law No. 2018-670 of July 30, 2018 related to the protection of trade secrets (as modified in particular by the French Law No; 2019-486 of May 22, 2019 and the French law No. 2019-222 of March 23, 2019), which may preclude or restrict the obtaining of evidence in France or from French persons in connection with a judicial or administrative U.S. action.

Similarly, French data protection rules (law No. 78-17 of January 6, 1978 on data processing, data files and individual liberties, as mainly modified by the French laws No. 2018-493 of June 20, 2018 (adapting the provisions relating to the Regulation (EU) 2016/679 of April 27, 2016, which entered into force on May 25, 2018, and the Regulation (EU) 2016/680 of the European Parliament and of the Council of April 27, 2016),

Decrees No. 2018-687 August 3 2018 and No. 2019-536 of May 29, 2019, as well as French Ordinances No. 2018-1125 of December 12, 2018 and No. 2019-964 of September 18, 2019) can limit under certain circumstances the possibility of obtaining information in France or from French persons in connection with a judicial or administrative U.S. action in a discovery context.

Finally, awards of punitive damages in actions brought in the United States or elsewhere may be unenforceable in France under certain circumstances. As there is no French legislation concerning the enforceability of punitive damages in France, case law must be looked at. Until a decision rendered by the Court of Cassation on December 1, 2010, French courts considered that punitive damages constituted a violation of French international public order and refused to order *exequatur* for U.S. judgments that granted such punitive damages. In a decision rendered on December 1, 2010, the Court of Cassation reversed the prevailing rule and finally held that punitive damages could be in accordance with French international public policy if the amounts of punitive damages are proportionate with (i) the harm suffered, and (ii) the breach of contract / tort committed by the defendant.

Pursuant to Articles 14 and 15 of the French Code civil, a French national (either a company or an individual) can sue a foreign defendant before French courts (Article 14) and can be sued by a foreign claimant before French courts (Article 15). For a long time, case law has interpreted these provisions as meaning that a French national, either as claimant or defendant, could not be forced against its will to appear before a jurisdiction other than French courts. However, according to case law, the French courts' jurisdiction over French nationals is not mandatory to the extent an action has been commenced before a court in a jurisdiction that has sufficient contacts with the dispute and the choice of jurisdiction is not fraudulent. In addition, a French national may waive its rights to benefit from the provisions of Articles 14 and 15 of the French Code civil.

Under Regulation (EU) No. 1215/2012 of the European Parliament and of the Council of December 12, 2012, as regards legal actions falling within the scope of said Regulation, the privileges granted to French nationals pursuant to Articles 14 and 15 of the French Code civil may not be invoked against a person domiciled in an EU Member State. Conversely, pursuant to Article 6.2 of Regulation (EU) No. 1215/2012, the privilege granted by Article 14 of the French Code civil may be invoked by a claimant domiciled in France, regardless of the claimant's nationality, to sue before French courts a defendant domiciled outside the EU.

There are diverging positions among the chambers of the French Court of Cassation regarding the validity of a contractual provision submitting one party to the exclusive jurisdiction of a court and giving another party the discretionary option to choose any competent jurisdiction. On the one hand, further to several decisions – the most recent dated October 3, 2018 – the first civil chamber of the Court of Cassation seems to consider that, unless the competent courts can be identified by reference to objective elements or jurisdiction rules in force in a Member State, unilateral jurisdiction clauses do not comply with the objective of foreseeability set out in the international instruments applicable in these cases and are therefore invalid. On the other hand, the Commercial Chamber of the Court of Cassation has held that a unilateral jurisdiction clause is valid, by a decision rendered on May 11, 2017. Accordingly, any provisions to the same effect in any relevant documents may not be binding on the party having agreed to the exclusive jurisdiction of a court.

## Where You Can Find Additional Information

For so long as any of the Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will, at any time when it is neither subject to Section 13 or 15(d) under the Exchange Act nor exempt from reporting thereunder pursuant to Rule 12g3-2(b) under the Exchange Act, furnish or cause to be furnished to any Noteholder, or to any prospective purchaser of a Note designated by such holder, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act upon the written request of any such holder.

The Issuer currently publishes the information required by Rule 12g3-2(b) under the Exchange Act on its website, www.forvia.com. **Information contained on the Issuer's website does not constitute a part of this offering memorandum unless otherwise explicitly indicated.**

## LISTING AND GENERAL INFORMATION

### *Listing*

Application has been made to Euronext Dublin for the approval of this document as listing particulars. Application has been made to Euronext Dublin for the Notes to be admitted to listing on the Official List and to be admitted to trading on the Global Exchange Market in accordance with the rules of that exchange.

For so long as the Notes are listed on the Global Exchange Market and the rules of Euronext Dublin require, copies of the following documents may be inspected or collected in physical form at all reasonable times during normal business hours by a holder of Notes upon reasonable request at the specified office of the paying agent in London or may be provided by email to a holder of the Notes following their prior written request to the paying agent and provision of proof of holding and identity (in a form reasonably satisfactory to the paying agent):

- our organizational documents;
- our 2022 Consolidated Financial Statements, 2023 Consolidated Financial Statements and 2024 Consolidated Financial Statements; and
- the Indenture.

The current paying agent and transfer agent is Citibank, N.A., London Branch. We reserve the right to vary such appointment and we will publish notice of such change of appointment.

### *Clearing Information*

The Notes have been accepted for clearance through Euroclear and Clearstream under the following codes:

| | Rule 144A | Regulation S |
|---|---|---|
| ISIN: | XS3023963617 | XS3023963534 |
| Common Codes: | 302396361 | 302396353 |

### *Legal Information*

Our financial year runs from January 1 to December 31. We are required by our primary regulator, the *Autorité des marchés financiers*, to publish financial results twice a year, on an annual and semi-annual basis.

The Issuer's legal entity identifier ("**LEI**") code is 969500F0VMZLK2IULV85.

The creation and issuance of the Notes was authorized by a decision of our Board of Directors on February 27, 2025.

For a description of our material indebtedness as at December 31, 2024, see the section entitled "*Description of Other Indebtedness*" in this Offering Memorandum.

### *Main Subsidiaries*

The Issuer is the parent company of our Group, which, at December 31, 2024, included 298 fully consolidated subsidiaries and 34 entities consolidated under the equity method. None of our subsidiaries accounts for more than 10% of our total consolidated Adjusted EBITDA or sales, but one of our subsidiaries accounts for more than 10% of assets. Our consolidated subsidiaries for each respective year are set out in the notes to our audited consolidated financial statements for the years ended December 31, 2024, 2023 and 2022.

### *Significant Change*

There has been no significant change in our financial or trading position since December 31, 2024, and there has been no material adverse change in our prospects since December 31, 2024.

### *Litigation*

Except as disclosed in this Offering Memorandum in "*Business—Litigation,*" in the previous twelve months, we have not been involved in and have no knowledge of any threatened legal, governmental or administrative proceedings or arbitration which would have a significant effect on our financial position or profitability or on the issue and offering of the Notes.

### *Material Contracts*

Except as disclosed in this Offering Memorandum, there are, at the date of this Offering Memorandum, no material contracts entered into other than in the ordinary course of our business, which could result in us being under an obligation or entitlement that is material to our ability to meet our obligations to Noteholders in respect of the Notes being issued.

### *Conflicts of Interest*

Except as disclosed in this Offering Memorandum, there are, at the date of this Offering Memorandum, no potential conflicts of interest between the duties of the members of our Board of Directors and their private interests and/or their other duties.

### *Persons Having an Interest Material in the Offering*

Save as disclosed in "*Plan of Distribution*", to our knowledge, no person involved in the Offering of the Notes has an interest material in the Offering.

### *Responsibility*

We accept responsibility for the information contained in this Offering Memorandum. We declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Offering Memorandum is, to the best of our knowledge, in accordance with the facts and contains no omissions likely to affect its import.

### *Irish Listing Agent*

Walkers Listing Services Ltd is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to trading on the Global Exchange Market of Euronext Dublin.

## THE ISSUER

We are a public company with limited liability (*société européenne*) incorporated under the laws of the Republic of France, and we have, as of December 31, 2024, share capital of €1,379,625,380 represented by 197,089,340 fully paid-up shares with a par value of €7 each. We were incorporated on July 1, 1929 for a term of 99 years, except if the term is extended or if we are subject to early dissolution. The duration of the Issuer was extended until May 28, 2117 by the extraordinary shareholders' meeting on May 29, 2018. Our ordinary shares are listed for trading on Euronext Paris.

Our registered office is 23-27 Avenue des Champs Pierreux, 92000 Nanterre, France, and we are registered with the *Registre du commerce et des sociétés* of Nanterre under number 542 005 376. Our telephone number is +33 (0)1 72 36 70 00.

Our corporate purpose is to engage in the following business activities, directly or indirectly, in France and abroad to:

- create, acquire, run, directly or indirectly manage, by acquisition of holdings, by rental or by any other means, in France and internationally, all forms of industrial companies, trading companies, and tertiary sector companies;
- research, obtain, acquire and use patents, licenses, processes and trademarks;
- rent all types of real estate, bare or constructed;
- provide administrative, financial and technical assistance to affiliated companies;
- run plants and establishments which we own or may acquire in the future;
- manufacture, use and/or sell, regardless of form, our own products or those of affiliated companies;
- manufacture and commercialize, by direct or indirect means, all products, accessories or equipment, regardless of their nature, intended for industrial use, and in particular the automotive industry; and
- to directly or indirectly participate in all financial, industrial or commercial operations that may relate, directly or indirectly, to any one of the abovementioned purposes, including but not limited to setting up new companies, making asset contributions, subscribing to or purchasing shares or voting rights, acquiring an interest or holding, mergers, or in any other way,

and more generally, to conduct any industrial, commercial and financial operations, and operations relating to fixed or unfixed assets, that may relate, directly or indirectly, to any one of the above-mentioned purposes, totally or partially, or to any similar or related purposes, and even to other purposes of a nature to promote our business.

## LEGAL MATTERS

Certain legal matters in connection with the Offering will be passed upon for us by White & Case LLP, as to matters of French law and U.S. law. Certain legal matters in connection with the Offering will be passed upon for the Initial Purchasers by Latham & Watkins AARPI, as to matters of French law and U.S. law.

## INDEPENDENT STATUTORY AUDITORS

The Group's independent statutory auditors are currently Mazars and Ernst & Young Audit.

The address of Ernst & Young Audit is Tour First, 1, Place des Saisons, TSA 14444, 92037 Paris La Défense Cedex, France. The address of Mazars is 61 Rue Henri Regnault, Exaltis, 92400 Courbevoie, France. Each of these auditors are members of the *Compagnie régionale des Commissaires aux Comptes* de Versailles and are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorized as *Commissaires aux Comptes*. Mazars and Ernst & Young Audit have audited the Group's consolidated financial statements as of and for the fiscal years ended December 31, 2024, 2023 and 2022 in accordance with professional standards applicable in France and rendered unqualified audit reports on the 2024 Consolidated Financial Statements, 2023 Consolidated Financial Statements and the 2022 Consolidated Financial Statements.

**ISSUER**

FORVIA S.E.
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France

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**LEGAL ADVISORS TO THE INITIAL PURCHASERS**

*As to U.S. and French law*
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**INDEPENDENT STATUTORY AUDITORS OF THE ISSUER**

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France

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United Kingdom

**LEGAL ADVISORS TO THE TRUSTEE**

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**IRISH LISTING AGENT**

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