

Press Release

Nanterre (France), February 22, 2021

N PERSPECTIVES W / Capital Markets Day 2021

- **Strategy focused on Cockpit of the Future and Sustainable Mobility confirms its potential for strong sustainable profitable growth**
 - All 2022 targets confirmed
 - More than +500 bps average annual sales outperformance 2020-2025 to reach close to €25 billion sales in 2025
 - Cumulated net cash flow > €4 billion over five years (2021-2025)
- **Unique position in zero emissions hydrogen solutions will allow Faurecia to become a leader in hydrogen mobility with €500 million of sales in 2025 and > €3.5 billion in 2030 (including Symbio at 100%)**
- **Strong Convictions and Values drive Faurecia's sustainability initiatives and in particular its ambition to be CO₂ neutral by 2030**
- **Upcoming change in Faurecia's shareholding structure will offer new opportunities**

At its Capital Markets Day held on 22 February, Faurecia demonstrated its strong profitable growth potential across each of its Business Groups driven by record order intake and innovation. Faurecia detailed its 2022 financial targets and 2025 ambition for the Group and each of its Business Groups. The Group also highlighted its strong focus on zero emissions hydrogen solutions and its ESG strategy, in particular its CO₂ neutral program.

Patrick Koller, Chief Executive Officer, said "Despite the current economic crisis, Faurecia has continued to deploy its strategy focused on the Cockpit of the Future and Sustainable Mobility. Our strong investment in innovation supported by a best-in-class ecosystem will enable each of our Business Groups to increase content per vehicle and market share. Overall, the Group will strongly outperform the market over the next five years, and is particularly well-positioned in the fast-growing premium, electric and commercial vehicle segments as well as in China. As hydrogen mobility rapidly gains momentum, our investment in fuel cell technologies will enable us to become a leader in both hydrogen storage systems and fuel cell stack systems through Symbio, our joint venture with Michelin. The decision of Stellantis to distribute its participation in Faurecia to its shareholders will increase our free float, improve our capital market profile and allow us to affirm our business strategy as an independent company. As we open a new chapter in our history, we are looking forward to an ambitious and sustainable future."

Group figures	2022 target	2025 ambition	2021 to 2025
Sales	≥ €18.5bn	≥ €24.5bn	Organic CAGR c. +11% Average outperformance > +500bps
Operating margin	8% of sales	> 8% of sales	
Net Cash Flow	4% of sales	close to 4.5% of sales	Cumulated 5-year > €4bn

Seating: Strong sales acceleration and market outperformance

Seating will show strong market outperformance of +600 bps between 2020 and 2025 driven by innovation and increased content per vehicle for enhanced occupant experiences, modularity and sustainability. Faurecia's Seat for the Planet will reduce CO₂ emissions by 30% in 2030 and reduce weight by 15%. Seating will double its sales in both China and North America between 2020 and 2025, outperforming the market in both regions by over +1,000 bps. Operational excellence and an optimum product portfolio will drive operating margin to ≥ 7.5% in 2025.

Interiors: Accelerating growth and continuous performance improvement

Interiors accelerated its transformation in 2020 through the integration of SAS Interior Modules and a focus on the core product lines in which it is market leader. The Business Group also accelerated the development of bio-sourced and recyclable materials providing significant weight, energy and CO₂ reduction. The Business Group will show accelerated growth in the fast-growing high-value premium and electric vehicle market segments and in North America. Interiors will outperform the market by +400 bps between 2020 and 2025. Increased competitiveness will be driven by operational and process excellence and will drive the operating margin to ≥ 7.5% in 2025.

Clarion Electronics: Turnaround on track and 2025 targets confirmed

The integration of Clarion Electronics is now complete with over €80 million savings achieved in 2020 and €2.5 billion order intake as compared to the €2.1 billion targeted. The Business Group, which is a key enabler of Cockpit of the Future, is focused on three product lines: Cockpit Electronics, Display Technologies and Advanced Driver Assistance Systems. For each of these product lines the Business Group is well positioned with its core products and is expanding rapidly in key high-growth and profitability segments. In 2025, Clarion Electronics will reach sales of €2.5 billion, a well-balanced product line mix and a strongly diversified customer base. Profitability in 2025 will be close to the Group average at ≥ 7.5%.

Clean Mobility: Three product lines for profitable growth in the short, medium and long-term

Powertrain electrification continues to gain momentum and Faurecia estimates that there will be 30% full electric vehicles (battery and fuel cell) in 2030. Clean Mobility will strengthen its leadership position in ultra-low emissions for passenger vehicles. Its technologies will drive increased content per vehicle in particular for the fast-growing hybrid vehicle market. In the commercial vehicles and industry market, content per vehicle will significantly increase by 2030 driven by new regulations and Faurecia will increase its market share and more than double sales. The cash generated by ultra-low emissions will fuel Faurecia's acceleration in hydrogen technologies. Hydrogen mobility will be a €17 billion market of 2.5 million vehicles in 2030. Faurecia is uniquely positioned to become a leader in this market in both hydrogen storage and distribution systems and in fuel cell stacks and systems through Symbio, its joint venture with Michelin. Faurecia is targeting an order intake of €500 million in 2021 and sales will begin to accelerate from 2022 to reach €500 million in 2025 and more than €3.5 billion in by 2030.

Business Group	Seating		Interiors		Clean Mobility		Clarion Electronics	
	2022	2025	2022	2025	2022	2025	2022	2025
Sales	€7.5bn	>€9.5bn	€5.5bn	>€6.5bn	€4.5bn	€5.8bn	€1.4bn	€2.5bn
Operating margin	≥ 7%	≥ 7.5%	≥ 7%	≥ 7.5%	11.5%	≥ 11.5%	6%	≥ 7.5%

Convictions and values drive sustainability initiatives

Faurecia has strong Convictions and Values which drive its initiatives for sustainability of which CO₂ neutrality and gender diversity are two major priorities. The Group targets 30% female managers and professionals and 24% of females in the top 300 by 2025. It will achieve this by a strong focus on female recruitment, training and development. The Group's program for CO₂ neutrality has two key milestones which have been validated by the SBTi. By 2025 the Group will be CO₂ neutral in its operations and will eliminate 920kt of CO₂. By 2030 it will eliminate an additional 4 Mt of CO₂ through reducing emissions in its products across all of its Business Groups. Faurecia is working across the full value chain and in partnership with Schneider Electric to achieve its ambition.

Transforming profitable growth into cash generation

Net cash flow will reach 4% of sales in 2022 and close to 4.5% in 2025 driven in particular by increased profitability, selectivity in Capex and improvement in working capital. Overall, the Group will generate a cumulated net cash flow of over €4 billion by 2025. Faurecia confirms its net cash flow allocation strategy with 40% for dividends and share repurchases and 60% for deleveraging and bolt-on acquisitions. The Group's sound financial structure and continuous debt reduction will give a net-debt-to-EBITDA ratio at year-end of around 1x from 2022.

Upcoming change in Faurecia's shareholding structure

Resulting from the merger between FCA and PSA, the newly created Stellantis will distribute in kind to its shareholders its Faurecia shares representing c. 39% of the capital of the company. Stellantis has announced that an extraordinary general meeting will take place on 8 March 2021 to approve the distribution. This opens a new chapter for Faurecia and will increase its free float to c. 85%, improve its capital market profile and allow it to affirm its business strategy as an independent company. In order to engage employees in Faurecia's future development, the Group will launch an employee shareholding plan after the spin-off. This will be a non-dilutive plan through a share buyback program of up to a maximum of 2% of the share capital and will be open to around 90% of employees in 15 countries.

Market assumptions

Faurecia expects worldwide automotive production to reach 82.3 million vehicles in 2022 and 90.9 million in 2025. This represents an annual average growth of 5.2% between 2020 and 2025.

Faurecia's new perspectives presentation will be available at 1:00pm today (Paris time) on the Faurecia website: www.faurecia.com.

A webcast will be held today at 1:30pm (Paris time). If you wish to follow the presentation using the webcast, please access the following link: https://channel.royalcast.com/faurecia-en/#!/faurecia-en/20210222_2

You may also follow the presentation via conference call:

- France: +33 (0)1 76 77 28 19
- United Kingdom: +44 (0)330 336 9411
- United States: +1 323-994-2093
- Confirmation code: 7999151

A replay will be available as soon as possible

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About Faurecia

Founded in 1997, Faurecia has grown to become a major player in the global automotive industry. With 266 industrial sites, 39 R&D centers and 114,000 employees in 35 countries, Faurecia is a global leader in its four areas of business: Seating, Interiors, Clarion Electronics and Clean Mobility. Faurecia has focused its technology strategy on providing solutions for the "Cockpit of the Future" and "Sustainable Mobility". In 2020, the Group posted sales of €14.7 billion. Faurecia is listed on the Euronext Paris stock exchange. For more information, please visit www.faurecia.com