BOUNCING BACK
AND PREPARING FOR THE FUTURE

2020 ACTIVITY AND SUSTAINABLE DEVELOPMENT REPORT

Valeo
SMART TECHNOLOGY FOR SMARTER MOBILITY
EXPLORING THE FUTURE

HEALTHIER, SAFER, CLEANER, MORE ELECTRIC, EMPATHETIC, IMMERSIVE, INDEPENDENT AND CONNECTED MOBILITY

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AS A TECH COMPANY, VALEO'S GOAL IS TO PLAY A MAJOR ROLE IN THE MOBILITY OF TOMORROW. IN KEEPING WITH TODAY'S ENVIRONMENTAL AND SOCIAL ISSUES, FUTURE MOBILITY MUST BE GREENER, SAFER, AND MORE DIVERSE. IT MUST ALSO IMPROVE THE WELL-BEING AND SAFETY OF CITIZENS AND CUSTOMERS. TODAY, THE FUTURE OF MOBILITY IS BEGINNING TO TAKE SHAPE, PREPARING FOR THE FUTURE MEANS THINKING OF FUTURE GENERATIONS BY DEVELOPING THE TECHNOLOGIES REQUIRED TO REDUCE CO₂ EMISSIONS AND IMPROVE ROAD SAFETY. IT ALSO MEANS DOING MORE TO REDUCE OUR CARBON FOOTPRINT, ANTICIPATING TRENDS AND MAKING THE RIGHT STRATEGIC CHOICES, JUST AS VALEO HAS DONE IN THE AREAS OF VEHICLE ELECTRIFICATION AND DRIVING ASSISTANCE, THE TWO SEGMENTS THAT ARE SET TO WITNESS THE FASTEST GROWTH OVER THE COMING YEARS. IN EXTRAORDINARY PERIODS SUCH AS IN 2020, PREPARING FOR THE FUTURE MEANS PROVIDING THE BASICS SO AS TO NOT JEOPARDIZE TOMORROW, WHILE PROTECTING EVERYONE'S HEALTH. IN ALL CIRCUMSTANCES, IT MEANS INVOLVING OUR EMPLOYEES AND OUR PARTNERS IN THIS WONDERFUL CHALLENGE.

PREPARING FOR THE FUTURE MEANS ALWAYS BEING ABLE TO BOUNCE BACK.
At Valeo, we are already writing the future of mobility. In our 63 research and development centers, located close to the world’s large automotive markets, we are building the mobility of tomorrow to make it cleaner, safer and smarter. Innovation represents 56% of our order intake and resulted in 1,174 patents being filed this year. Our innovations embrace the diversity of the markets to satisfy all of our clients’ current and future expectations.
THE FUTURE
To rebuild passengers’ trust in shared transport and allow them to breathe comfortably, Valeo has developed an air purifier. The technology uses powerful ultraviolet rays – which remain firmly inside the device and are therefore harmless for passengers – to neutralize 95% of viruses, including Covid-19. This “health shield” is designed for future use in cars and trains. Valeo has also developed a range of products to purify the vehicle interior environment with Valeo ClimSpray™, a product that disinfects the vehicle cabin in just 15 minutes. It works on viruses (including Coronavirus), bacteria and fungi. Praised by customers, ClimSpray™ was awarded Product of the Year for 2021 in France.
Valeo combines latest generation cameras with powerful onboard artificial intelligence to predict user intentions and behaviors and improve road safety. In only a few milliseconds, Valeo Move Predict.ai analyzes and transmits information to the driver and activates emergency braking if necessary. The solution is tailored to cars but also works with robotaxis and droids.
Rediscover the joys of cycling, an easy, responsible and affordable way of getting around... Much more than a simple electric bike, Valeo Smart e-Bike System combines Valeo’s 48V motor with an ingenious automatic gearbox system and a control unit. The gears change automatically and the level of assistance adjusts instantly to the terrain and the cyclist’s pedal stroke, multiplying their effort by up to eight.
With its 48V motor, Valeo is exploring all forms of urban mobility for two-, three- and four-wheeled vehicles. This versatile, low-voltage motor can be used in both Indian tuk-tuks and premium plug-in hybrid vehicles as a back-up motor. It currently powers the new and original Citroën AMI, a light and, above all, affordable two-seater car that can be driven without a driver’s license. With this car, Valeo and Citroën are accelerating the take-up of electric cars.
All the more appreciated during the health crisis, the car is a protective cocoon where people are spending more and more time. With Valeo Smart Cocoon 4.0, Valeo provides a sort of comfort bubble that offers a feeling of well-being. A combination of light, scent, color and temperature offer an in-cabin ambience that adapts to the morphology, mood and clothing of each passenger. Sensors paired with artificial intelligence interact to create a personalized atmosphere.
Bring your family and friends virtually onboard...
With the Valeo VoyageXR technology, the driver can invite someone virtually onboard to keep them company during their journey. Thanks to an augmented reality headset and handset, they are “teleported” to the back of the car and appear as an avatar in the driver’s rearview mirror. Let the conversation begin.
Driving along the bustling streets of Paris in complete safety without touching the steering wheel is no longer science-fiction. Thanks to Valeo’s series-produced cameras, radars, laser scanners (LiDARS) and sensors, and artificial intelligence that analyzes the data collected in real time, Valeo Drive4U® is the first autonomous vehicle capable of handling complex environments. We all dreamed about it, Valeo made it happen.
Home delivery by an autonomous robot... Valeo eDeliver4U is revolutionizing urban logistics and saying goodbye to traffic jams and pollution. Fitted with sensors, laser scanners (LiDARs) and radars, the electric delivery droid travels around the streets completely autonomously at around 12 km/h, delivering up to 17 meals per journey. Developed in partnership with Meituan Dianping, the droid is equipped with a connected locker to ensure that each customer order is delivered securely.
CREATE CLEAN, SAFE AND HEALTH-CONSCIOUS MOBILITY FOR ALL

IN VALEO’S DNA

Valeo is exploring and inventing this future through world-class R&D. The Group dedicates 12% of its original equipment sales to R&D – a strategic priority – and files more than 1,000 patents a year, such as those for its Stop-Start system previously and the Valeo UV Purifier recently. R&D will drive Valeo’s future growth and secure its long-term performance, and contributes directly to the emergence of sustainable mobility:

• **Clean mobility**: 48V, high-voltage technology solutions to equip all forms of mobility.

• **Safe, health-conscious mobility**: to protect the health of passengers and increase their safety and comfort.

• **Smart mobility**: to assist the driver in maneuvering and personalize the onboard experience.

HIGH-TECH SOLUTIONS THAT STAND OUT

The future of the car lies in the value added to each vehicle. Through its 12 key technological platforms, Valeo is accelerating synergies and significantly increasing the value content per vehicle. These technological platforms strengthen the Group’s global leadership in vehicle electrification and ADAS. Lastly, they give the Group a major competitive advantage, putting Valeo ahead of the game.

NEW MOBILITY ACCESSIBLE TO ALL

Today’s health crisis is accelerating the evolution towards greener, more health conscious mobility solutions. As a world leader in 48V systems, Valeo has the right technologies to meet the challenge of mass vehicle electrification. Demonstrating its leadership, the Group accounted for 40% of global order intake for these low-voltage electrical systems. Use of these systems is not just limited to cars – they can be used in all new urban mobility solutions such as bicycles, robotaxis and delivery droids. Thanks to its Valeo Siemens eAutomotive joint venture, which is focused on the high-voltage market, Valeo is present in all segments of the electrification market. The Group is also a world leader in vehicle air treatment systems designed to ensure a healthy cabin environment. To make these new mobility solutions widely available, the cutting-edge technology is developed at the best possible cost, as is the case for the Valeo “health shield”, the world’s most powerful air sterilization system for bus and coach cabins.

AN INNOVATION STRATEGY THAT PAYS OFF

**NO. 1**

IN ELECTRIFICATION

**NO. 1**

IN ADAS
Valeo is a firm believer in collective intelligence and open innovation. Its numerous collaborations with laboratories, start-ups and other major manufacturers have led to the creation of fully-fledged innovation-focused eco-systems. Forging ties with new external stakeholders is crucial to understand what is going on in their environment and to identify new trends and growth levers. Attentive to its environment, Valeo develops research partnerships that accelerate the time-to-market while reducing R&D costs. In a sector as innovative and fast-moving as the automotive industry, open innovation is a great tool.

**COLLABORATIVE INNOVATION**

Valeo

**R&D CENTERS**

**TECHNOLOGICAL PLATFORMS**

**PATENTS FILED IN 2020**

**THE GROUP CURRENTLY MANAGES A PORTFOLIO OF MORE THAN 34,710 TITLES**

<table>
<thead>
<tr>
<th><strong>63</strong></th>
<th><strong>12</strong></th>
<th><strong>1,174</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>R&amp;D CENTERS</td>
<td>TECHNOLOGICAL PLATFORMS</td>
<td>PATENTS FILED IN 2020</td>
</tr>
</tbody>
</table>

**WORLD-CLASS R&D**

<table>
<thead>
<tr>
<th><strong>1,660</strong></th>
<th><strong>18,480</strong></th>
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</thead>
<tbody>
<tr>
<td>MILLION EUROS INVESTED IN R&amp;D IN 2020, OR</td>
<td>R&amp;D ENGINEERS</td>
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</table>

<table>
<thead>
<tr>
<th><strong>12%</strong></th>
<th><strong>1,373</strong></th>
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</thead>
<tbody>
<tr>
<td>OF ORIGINAL EQUIPMENT SALES</td>
<td>VALEO EXPERTS</td>
</tr>
</tbody>
</table>
Valeo is uncompromising on the subject of health and has taken every step to ensure continued production over the long term. Despite the length and the brutality of the health crisis, Valeo’s future has remained secure. In a challenging environment, Valeo outperformed the market and preserved all of its strength to bounce back. This crisis has highlighted the importance of the Group’s strategic choices in the area of cleaner and safer mobility.
2020 will no doubt be remembered as an extraordinary year. It posed unprecedented challenges for the global economy, for the automotive industry and for Valeo.

This unprecedented crisis has also validated the strategy we have been pursuing and the choices we have been making for more than ten years.

2020 was shaped by several different stages, starting with the initial phase of the crisis from mid-March to the end of May – a period marked by the collapse of the economy due to a sudden lockdown. Global automotive production contracted by a staggering 85% in April, an even bigger drop than during the 2008-2009 financial crisis. Then we saw the economy bounce back in the third quarter, much faster than
anticipated. Since October we have seen a gradual return to normal conditions, with China back on track with impressive growth, the United States recovering strongly and Europe picking up more slowly.

Throughout this crisis, protecting our employees has been our absolute priority. We implemented a health and safety protocol, first developed in China back in February, then rolled out across all our plants, research centers and head offices across the world. These drastic measures have been maintained since the start of the crisis. After all, the only way to ensure they are effective is to apply the same protocol everywhere to the same standard. During the crisis we also closed and then reopened 154 plants worldwide, without any disruption to our supply chain, which has proven to be incredibly resilient. This is a real achievement for a company that produces 8 million products a day using 2 billion components.

From a financial perspective, we took exceptional action to ensure the continuity of our operations going forward, implementing drastic cost-cutting and cash protection measures while maintaining sufficient liquidity. In the second half of the year, Valeo published solid results, with EBITDA representing 13.9% of sales, free cash flow amounting to a record 1.34 billion euros, and debt having been reduced to less than 3 billion euros, one year ahead of our objective. Thanks to these strong results, we ended the year with a sound financial position.

In other good news, we are now over the peak in terms of R&D investment and spending. Over the past eleven years, we have invested heavily in and structured our product portfolio around the market segments aligned with the major transformations taking place in our industry – safer, low-carbon mobility.

“…”

Today, our positioning is quite simply unique because we are the world leader for both vehicle electrification and ADAS.
“...”

Valeo clearly has what it takes to be one of the undisputed technology leaders in the mobility of the future.

Far from jeopardizing the trends at play in the automotive and mobility industries, the Covid-19 crisis has accelerated them. The car is more popular than ever, and is seen as the safest mode of transportation by 80% of users. There are growing societal expectations for cleaner mobility, and all regulations are moving in this direction. Vehicle electrification continues to increase, with 2020 representing a real turning point – the number of electric and plug-in hybrid vehicles on the road soared by 43% globally and by 143% in Europe. Safety remains a priority and is even the first thing people look for when purchasing a new vehicle. There are still 1.3 million fatal road accidents worldwide each year and the demand for technologies that enhance safety is also increasing.

Demand for safer, more electric mobility is therefore expanding, generating huge opportunities for Valeo: 94% of original equipment sales are derived from technologies that help to reduce CO₂ emissions and improve road safety.

I am absolutely convinced that the automotive industry will come out of this stronger than ever. Valeo clearly has what it takes to be one of the undisputed technology leaders in the mobility of the future.

I would like to thank all of Valeo’s employees around the world for their unwavering commitment throughout this unprecedented year.
How did your company come through the Covid-19 crisis?

Our absolute priority was to protect the health of Valeo employees across the world. The Group quickly outlined, negotiated with the relevant labor organizations, implemented and audited a very demanding health protocol. This work was carried out using the same assets that make up Valeo's operational strength – the quest for excellence, rigor and structure. Our second priority was to ensure uninterrupted delivery to our customers in this highly unusual context in which we were required to shut down then resume production at our plants. More than ever, the pursuit of operational excellence – which all Valeo employees buy into – enabled us to successfully navigate the crisis.

A new crisis is currently affecting the automotive industry: the chip shortage. What impact is this having on Valeo?

We have faced several crises within this crisis. There was the initial crisis, with consumer electronics taking up a lot of capacity at chipmakers as the automotive industry came to a halt. Then, bad weather in Texas shut down a number of electronic component manufacturers. On top of that, a Japanese chipmaker was hit by a fire, forcing it to halt production. Faced with this three-fold crisis, our Supply Chain and Purchasing teams responded with great efficiency. In late 2020, we set up a crisis organization unit that works around the clock, day-in, day-out to find solutions for our customers and suppliers.

In the first quarter of the year, when the automotive industry produced more than 1.5 million fewer cars than anticipated, Valeo fulfilled all customer orders without interruption. I am hugely proud of this achievement and would like to pay tribute to the high-quality work carried out by our Supply Chain and Purchasing teams.

What makes you confident about the future?

More than ever, the trend is toward individual mobility in all its forms – mobility that has to be greener and safer. As you can see, this trend only consolidates Valeo’s unique positioning and validates the choices we have made over the past few years. By prioritizing electrification, ADAS and onboard wellbeing, we have long anticipated these profound and lasting changes. So I am definitely optimistic!
A FEW WORDS FROM SENIOR MANAGEMENT

OPERATIONS COMMITTEE AND EXECUTIVE COMMITTEE

The Executive Committee and the Operations Committee are responsible for overseeing Valeo’s activities. The Executive Committee coordinates and provides guidance on the various functions of the Group’s General Management. The Operations Committee reviews operational management, coordinates projects and implements the Group’s strategy. On October 27, 2020, Valeo announced the separation of the roles of Chairman of the Board of Directors and Chief Executive Officer as from January 2022. Christophe Périllat will be appointed Deputy Chief Executive Officer following the Annual Shareholders’ Meeting in May 2021.

#INNOVATION

Our expertise in new technologies enables Valeo to support automakers in their transition to more sustainable mobility – mobility that is safer and more carbon-efficient.

#IMAGE

Throughout 2020, Valeo constantly maintained relations with all of its employees at all sites, with its customers and with all of its partners. Our unrelenting objective is to continue raising the Group’s profile throughout the world, in particular by shining a spotlight on our capacity for innovation.

#RESILIENCE

Thanks to strict monitoring of its cash flow, Valeo is equipped to face the crisis over the long term. With debt reduced to below 3 billion euros, Valeo has the solid financial structure it needs to tackle with confidence the challenges that lie ahead in 2021.

#ETHICS

Fair trade practices, mutual respect and integrity among partners, customers, suppliers and other stakeholders are the foundation of Valeo’s current and future success.
Safety is a priority issue as there are still more than 1.3 million fatal road accidents each year. The demand for technologies that enhance safety is increasing, starting with the ADAS solutions that are systematically installed in today’s vehicles.

#ELECTRIFICATION
In the post-Covid world, the energy transition is going to accelerate, thereby placing CO₂ emissions reductions among the key priorities. Our teams are ready and raring to meet the challenge of accelerating electrification.

#WELL-BEING
The future of the car relies in part on electrification and passenger health and well-being, both of which require new thermal systems that are increasingly complex and packed full of innovative technologies.

#TRUST
The flagship products that have convinced Valeo’s customers of its technological edge include its 48V and high-voltage electric motors, its new thermal solutions and the sensors required for the development of autonomous driving.

#PROXIMITY
Wherever we are in the world, we remain in close proximity to our businesses in order to support the Group’s growth, safeguard our activities and protect Valeo’s interests.

#MOTIVATION
Despite the magnitude and sudden onset of the crisis, our teams demonstrated an astonishing ability to adapt and an extraordinary spirit of solidarity.

#VISIBILITY
Visibility systems have gone way beyond their traditional function and are now a vital means of improving road safety. The future looks bright, with lighting and wiper systems driven by the rise of autonomous vehicles and ADAS.

#SAFETY
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The crisis was a fantastic catalyst for accelerating our transformation. We are ideally positioned to lead the revolution in the aftermarket.

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The Board of Directors determines Valeo’s strategy and ensures it is implemented effectively. To monitor developments as closely as possible, the Board met seven times in 2020. It decided on the succession plan for Jacques Aschenbroich, who will be succeeded by Christophe Périllat in January 2022. Christophe Périllat has been appointed Associate Chief Executive Officer of Valeo, effective until the Shareholders’ Meeting to be held in May 2021. In accordance with this succession plan, Jacques Aschenbroich will continue to act as Chairman of the Board of Directors until the end of his current term of office as Director, i.e., until May 2023, with specific missions which aim to ensure a smooth transition with Christophe Périllat, currently Associate Chief Executive Officer of Valeo, who will succeed Jacques Aschenbroich in his role as Chief Executive Officer of the Company from January 2022.
2020 IN PICTURES

VALEO SMART E-BIKE SYSTEM REVOLUTIONIZING THE ELECTRIC BIKE

The energy transition and the health crisis have accelerated the return to cycling. Thanks to its technological platform for low-voltage electrification, Valeo has developed an electric bicycle assistance system that is unique on the market. Based on an algorithm, Valeo’s Smart e-Bike System solution instantly and automatically adjusts the intensity of the electric assistance according to the cyclist’s need. A 48V electric motor and a seven-speed automatic, adaptive gearbox, hidden in the pedal assembly, multiply the cyclist’s effort by eight, providing enough power to effortlessly climb a hill with a 14% gradient while carrying a 150kg load.

AT THE FOREFRONT OF EFFORTS TO REVIVE THE AUTOMOTIVE INDUSTRY IN FRANCE

With its strategic positioning having been strengthened and reaffirmed by the French government’s recovery plan aimed at shaping a more competitive and low-carbon automotive industry, Valeo is committed to locating its production lines for 48V electric motors in France. The future of several French sites is therefore set in stone: Étaples (Pas-de-Calais), L’Isle-d’Abeau (Isère), Sainte-Florine (Haute-Loire) and Sablé-sur-Sarthe (Sarthe). Valeo is present in several regions, employing 15,540 people in France and exporting 76% of its production. Despite the severity of the crisis, in September 2020 Valeo signed a majority agreement for competitiveness with labor organizations, under which it committed to maintain jobs in France.
NEUTRALIZING THE VIRUS IN THE VEHICLE INTERIOR

In the middle of the pandemic, Valeo launched its Valeo UV Purifier solution, designed to sterilize the air in bus and coach interiors. 95% of the virus is eliminated by this “health shield”, a unit containing a UV lamp that purifies the air. This technology will soon be used in passenger cars. Valeo has also developed Valeo ClimSpray™, an antimicrobial solution that disinfects the vehicle in 15 minutes.

A GREAT SHOW OF SOLIDARITY, AN INDUSTRIAL CHALLENGE

At the peak of the first wave of the pandemic, Valeo contributed to the French national effort by donating 30,000 masks to hospitals and helping to produce 10,000 ventilators in 50 days. The Group took on this logistical and industrial challenge alongside Air Liquide, PSA and Schneider Electric, supplying over 300 essential components. Valeo’s teams everywhere demonstrated selflessness and ingenuity.

In the United States, they used wiper motors to power manual ventilators. In the Czech Republic, they collaborated with the Institute of Informatics, Robotics and Cybernetics to create a robot to speed up the analysis of PCR tests. In Spain and Poland, they used 3D printers to model and produce protective visors, which were distributed to local hospitals and health centers.
SAFETY IN THE SPOTLIGHT

Valeo XtraVue™ Trailer and Valeo Rescuer™, two safety-related innovations, received awards in 2020. Valeo XtraVue™ Trailer received a PACE Award for its ADAS vision system, which enables drivers towing a trailer or caravan to see what is happening behind them on the dashboard screen, as if the trailer or caravan were invisible. Valeo Rescuer™, a built-in system that alerts the emergency services in the event of an accident or breakdown, received the 2020 Road Safety Innovation Award.

NON-FINANCIAL PERFORMANCE RECOGNIZED BY RATING AGENCIES

For the fifth year running, Valeo was named as the leading automotive supplier in the Dow Jones Sustainability Index (DJSI). This recognition pays tribute to the Group’s longstanding commitment to sustainable development. For over ten years, Valeo has invested heavily in developing the technologies required to reduce CO₂ emissions and improve road safety.
VALEO’S PERFORMANCE IN 2020

2020 was an unprecedented year full of contrasts. It was a year of two halves with very different dynamics. The first half was marked by the forced shutdown of 154 of the Group’s plants. Valeo implemented a reinforced safety protocol to protect the health of its employees, safeguard its liquidity and enable operations to resume then continue. In the second half, the Group demonstrated its ability to bounce back and its strengths for the future.

SALES
in billions of euros

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales 1H 2020</th>
<th>Sales 2H 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>19.4</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>7.1</td>
<td>93</td>
</tr>
</tbody>
</table>

SALES BY DISTRIBUTION NETWORK
in billions of euros and as a % of sales

- Original equipment: 84%
- Aftermarket and others: 16%

OPERATING MARGIN
in millions of euros and as a % of sales, excluding share in net earnings of equity-accounted companies

<table>
<thead>
<tr>
<th>Year</th>
<th>First-half</th>
<th>Second-half</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>19.4</td>
<td>16.4</td>
</tr>
<tr>
<td>2020</td>
<td>7.1</td>
<td>93</td>
</tr>
</tbody>
</table>

(1) Excluding the Top Column Module (TCM) business.

16,436 MILLION EUROS IN SALES IN 2020

3 PERCENTAGE POINTS OUTPERFORMANCE IN A CHALLENGING AUTOMOTIVE MARKET
**ORDER INTAKE**

Percentage of innovative(1) products or systems in the order intake

- 2019: 47%
- 2020: 56%

13.3 billion euros in order intake in the second half of 2020

---

**DIVIDEND PER SHARE**

in euros

- 2019: 0.20
- 2020: 0.30(1)

---

**TOTAL EBITDA**

in millions of euros and as a % of sales

- 2019: 2.486 billion euros, 12.8%
- 2020: 1.505 billion euros, 9.2%

13.9% in the second half of 2020

---

**FREE CASH FLOW**

in millions of euros

- 2019: 519 million euros
- 2020: 294 million euros

Free cash flow in the second half of 2020: 1.38 billion euros

---

**OTHER PROFITABILITY INDICATORS**

**ROCE**

(Return on Capital Employed)

- 2019: 13%
- 2020: 15%

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**ROA**

(Return on Assets)

- 2019: 8%
- 2020: 9%

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(1) Products and technologies in series production for less than three years, including Valeo Siemens eAutomotive.

(1) In the current period of uncertainty caused by the Covid-19 pandemic, Valeo's Board of Directors has decided to ask shareholders to approve a dividend payout of 0.30 euro per share.
For over ten years, Valeo has invested heavily in developing the technologies required to reduce CO₂ emissions and improve road safety. Today, the Group has consolidated its leading position among automotive suppliers in environmental, social and governance (ESG) matters and demonstrated its status as a recognized player in the socially responsible investment market: today, 27.5% of Valeo’s identified investors are considered to be ESG investors.

**OUR RATINGS BY NON-FINANCIAL RATING ORGANIZATIONS AND AGENCIES IN 2020**

<table>
<thead>
<tr>
<th>Rating Organization</th>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDP (Carbon Disclosure Project)</td>
<td>A</td>
<td>(highest possible score)</td>
</tr>
<tr>
<td>MSCI ESG Rating</td>
<td>AAA “LEADER”</td>
<td>Ranked no. 1 among automotive suppliers</td>
</tr>
<tr>
<td>ISS-oekom</td>
<td>B-, PRIME, INDUSTRY LEADER</td>
<td>Ranked no. 1 among automotive suppliers, excluding tire manufacturers(1)</td>
</tr>
<tr>
<td>S&amp;P Global Corporate Sustainability Assessment</td>
<td>76/100</td>
<td>Ranked no. 1 among automotive suppliers, excluding tire manufacturers</td>
</tr>
<tr>
<td>Sustainalytics</td>
<td>NEGLIGIBLE RISK</td>
<td>Ranked no. 1 among automotive suppliers</td>
</tr>
<tr>
<td>Corporate Knights</td>
<td>RANKED NO. 1</td>
<td>in the automotive industry (suppliers and manufacturers)</td>
</tr>
</tbody>
</table>

(1) Status conferred by the rating agency in 2019.

**NON-FINANCIAL PERFORMANCE**

**FROM MAJOR TRENDS TO INNOVATIONS**

% of original equipment sales from products contributing to cleaner and safer mobility

- 48% Cleaner
- 12% Cleaner and safer
- 34% Safer
- 6% Other

**VALEO AND ITS EMPLOYEES**

Average hours of training per employee

<table>
<thead>
<tr>
<th>Year</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>23.4</td>
</tr>
<tr>
<td>2020</td>
<td>17.9</td>
</tr>
</tbody>
</table>

This ratio corresponds to all employees trained during the year (including those no longer in the Group)/total headcount at end-December.

**VALEO AND THE ENVIRONMENT**

Total direct (Scope 1) and indirect (Scope 2) GHG(1) emissions as a proportion of sales (tCO₂/€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>57.5</td>
</tr>
<tr>
<td>2020</td>
<td>42.1</td>
</tr>
</tbody>
</table>

(1) Greenhouse gases.

**FREQUENCY RATE OF WORKPLACE ACCIDENTS (FR1)(1)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Frequency Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>1.9</td>
</tr>
<tr>
<td>2020</td>
<td>1.4</td>
</tr>
</tbody>
</table>

(1) Calculation of FR1: number of lost-time accidents x 1,000,000/number of hours worked during the year.
SHARE PERFORMANCE

OWNERSHIP STRUCTURE AT FEBRUARY 18, 2021

<table>
<thead>
<tr>
<th>% of share capital (% of voting rights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other(1) 84.51% (84.85%)</td>
</tr>
<tr>
<td>Bpifrance Participations 5.21% (5.10%)</td>
</tr>
<tr>
<td>BlackRock Inc. 5.18% (5.06%)</td>
</tr>
<tr>
<td>Norges Bank 5.10% (4.99%)</td>
</tr>
<tr>
<td>241,717,403 number of shares</td>
</tr>
<tr>
<td>247,288,070 number of voting rights</td>
</tr>
</tbody>
</table>

(1) Including 1,458,881 treasury shares (0.60% of the share capital).

STOCK MARKET DATA

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market capitalization at year-end (in billions of euros)</td>
<td>6.13</td>
<td>7.57</td>
<td>7.80</td>
</tr>
<tr>
<td>Number of shares</td>
<td>240,253,100</td>
<td>241,036,743</td>
<td>241,717,403</td>
</tr>
<tr>
<td>Highest share price (in euros)</td>
<td>66.48</td>
<td>37.02</td>
<td>34.05</td>
</tr>
<tr>
<td>Lowest share price (in euros)</td>
<td>23.20</td>
<td>23.06</td>
<td>10.51</td>
</tr>
<tr>
<td>Average share price (in euros)</td>
<td>45.72</td>
<td>28.73</td>
<td>24.86</td>
</tr>
<tr>
<td>Share price at year-end (in euros)</td>
<td>25.51</td>
<td>31.41</td>
<td>32.28</td>
</tr>
</tbody>
</table>

SHARE PRICE AND MONTHLY TRADING VOLUMES

in euros

DECEMBER 31, 2019  DECEMBER 31, 2020

- Valeo
- CAC 40
- STOXX 600 Auto&AP (European automobiles & parts index)
Located in 33 countries and with a strong footprint in Asia, Valeo is a global automotive supplier that operates in close proximity to automotive markets and automakers. Capable of supplying the world with its technological innovations, Valeo is supported by a geographically balanced organizational structure that limits flows between the different continents. Valeo’s purchasing location policy and the proximity of its production and research teams to its customers enable it to build an offering that is perfectly matched to local specificities and optimize its carbon footprint.

THE MARKET IN 2020
AUTOMOTIVE PRODUCTION DOWN 20%
ELECTRIC VEHICLE SALES UP 3% (1)

VALEO
19% OF ORIGINAL EQUIPMENT SALES
3 PERCENTAGE POINT OUTPERFORMANCE VS THE AUTOMOTIVE MARKET

NORTH AMERICA
25 PLANTS
6 R&D CENTERS
2 DISTRIBUTION PLATFORMS
18,667 EMPLOYEES

SOUTH AMERICA
6 PLANTS
3 R&D CENTERS
2 DISTRIBUTION PLATFORMS
2,897 EMPLOYEES

(1) Source: Frost & Sullivan (December 2020).
**EUROPE (incl. Africa)**
- 76 PLANTS
- 32 R&D CENTERS
- 8 DISTRIBUTION PLATFORMS
- 53,296 EMPLOYEES

**ASIA (including the Middle East and Oceania)**
- 80 PLANTS
- 17 R&D CENTERS
- 3 DISTRIBUTION PLATFORMS
- 35,469 EMPLOYEES

---

**THE MARKET IN 2020**

**AUTOMOTIVE PRODUCTION**

**EUROPE**
- DOWN 22%

**ASIA**
- DOWN 13%

**VALEO**

**EUROPE**
- 46% OF ORIGINAL EQUIPMENT SALES
- 5 PERCENTAGE POINT OUTPERFORMANCE VS THE AUTOMOTIVE MARKET

**ASIA**
- 33% OF ORIGINAL EQUIPMENT SALES
- 4 PERCENTAGE POINT OUTPERFORMANCE VS THE AUTOMOTIVE MARKET

**ELECTRIC VEHICLE SALES**

**EUROPE**
- UP 148%

**ASIA**
- UP 148%

---

(1) Includes the Middle East and Oceania.
ADAPTING
In 2020, Valeo rapidly adopted drastic measures to protect the health of its employees. The Group rose to the challenge at hand and displayed resourcefulness to adapt and resume its activity under the best possible conditions. Across the world, the Group’s supply chain proved to be incredibly resilient. For Valeo, adapting meant being able to bounce back by tailoring its production facilities to the revolutions shaping the automotive industry. Let’s travel to China, France and North America to discover how Valeo is transforming and preparing for the future.
At the start of the crisis, the Group introduced a strict health protocol that enabled it to gradually reopen its plants from early February. By around March 20, the 32 plants located in China were back up and running. Two things we’ll remember: the rapid containment of the pandemic in the country and the spectacular rebound in the Chinese market, which represents an incredible opportunity for Valeo.

“IN 2009, THE EUROPEAN MARKET REPRESENTED 70% OF OUR SALES WHILE CHINA ONLY ACCOUNTED FOR A SMALL PERCENTAGE. TODAY, EUROPE REPRESENTS 48%, ASIA 32% AND CHINA 17%.”

JACQUES ASCHENBROICH
Nanjing
A PIONEER IN TRANSMISSION SYSTEM INNOVATION

1,600 employees work in production and R&D dedicated to developing transmission systems. The Nanjing site produces dual-clutch systems, torque converters and friction materials. It has strengthened its competitiveness and consolidated its position as market leader. Foreseeing the growth of the vehicle electrification market in China, Valeo produces 48V electric motors at the site.

Shenzhen
A DRIVING FORCE IN CONNECTED CARS AND AUTONOMOUS DRIVING

Shenzhen is the country’s largest plant and home to the Comfort & Driving Assistance Systems Business Group’s R&D center, where 2,000 employees, including 70 experts, work. From ultrasonic sensors and cameras to advanced human-machine interfaces, this is where the Group’s electronic systems are produced. Thanks to its strong R&D capacity, Shenzhen is at the heart of the automotive revolution toward autonomous driving and connected cars.
Established in 1994, the Shashi site was one of the first Valeo plants in China specialized in HVAC systems. The site, which is completely dedicated to thermal systems, employs 1,000 people who design cabin air filter systems and HVAC systems as well as the latest heat pump and battery cooling systems. The site is perfectly positioned to meet the needs of the vehicle electrification market, which involves ensuring passenger comfort while minimizing the impact on vehicle autonomy and guaranteeing optimal battery functioning to maximize their performance and life span.

UNQUESTIONABLY, CHINA IS NOW LEADING THE RECOVERY IN THE GLOBAL AUTOMOTIVE INDUSTRY, WHICH HAS BEEN BATTERED BY THE COVID-19 PANDEMIC. AND THIS TRENDS IS SET TO CONTINUE GIVEN THAT THE CHINA ASSOCIATION OF AUTOMOBILE MANUFACTURERS EXPECTS REGISTRATIONS TO INCREASE BY 4% THIS YEAR AND EVEN REACH 30 MILLION BY 2025.

Valeo has been present in Wuhan since 1995 and employs 1,000 people there. Recognized in the country for its high-tech capabilities, the Wuhan plant specializes in the production of automotive lighting systems with a wide range of technologies such as bending lights, LED headlamps and rear headlamps with light diffuser. In 2020, the Wuhan plant showed great cohesion and resilience to overcome the Covid-19 crisis. As a result, the plant easily exceeded its sales objectives and recorded promising order volumes.
"The teams in Wuhan rose to the many challenges posed by the Covid-19 pandemic with great verve and courage."

CARTER ZHANG
VICE-PRESIDENT, VALEO LIGHTING CHINA

"Wuhan was the first city to be hit by the pandemic."

Valeo’s teams in Wuhan showed extraordinary cohesion and efficiency, continuing to serve customers without compromising on health and safety. For example, in the middle of the lockdown we took the initiative of transferring part of the Wuhan site’s production facilities to the Wuhu plant to ensure we could continue delivering customer orders. On March 10, we were authorized to resume operations. The plant put in place a dedicated action plan, named "small steps – fast pace", under which the teams returned to work in phases, first in small groups, then with a gradual increase in the number of employees on site. In the second half of the year, it was a race against the clock make up for lost time, successfully series-produce seven projects and generate good results. We received much praise from our clients and the government for our exceptional performance during this extraordinary year."
IN FRANCE, VALEO IS NOT ONLY AN EXPORTER OF GOODS, IT ALSO EXPORTS INTANGIBLES SUCH AS EXPERTISE AND RESEARCH FINDINGS ACROSS THE GLOBE. VALEO DESIGNS AND BUILDS A WHOLE HOST OF INNOVATIONS IN FRANCE THAT ARE USED BY ALL AUTOMAKERS.

As the second largest patent filer in France, Valeo remains true to its French roots and origins. Since 2008, the Group has invested close to 2 billion euros in its industrial facilities in the country. Driven by the French automotive industry recovery plan, the Group is securing the transition of operations at its major plants, which will produce the green cars of tomorrow. In the future, 70% of 48V technologies will be produced in France.

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Valeo, pioneer and world leader in 48V

48V systems, in which Valeo is pioneer and world leader, are set to become an industry standard. In 2030, more than one in three new cars will be equipped with a medium-power – 48V – electrification system. After launching the 48V mild hybrid – the hybrid for all – Valeo invented the 48V all-electric system and the 48V plug-in hybrid. These systems can also power autonomous shuttles, robotaxis, delivery droids, two- and three-wheel vehicles, etc. Estimated to represent 15 billion euros by 2030, this market also dovetails with the smart e-mobility market, which could reach up to 44 billion euros by 2030. Valeo is perfectly positioned on these markets and has already booked orders worth 7.5 billion euros for these systems, representing 40% of global orders.
ÉTAPLES

FLAG-BEARER OF THE AUTOMOTIVE RECOVERY

The plant, which originally produced alternators, then starter-alternators, has become one of the world’s leading producers of 48V systems. Today, Étaples contributes massively to affordable vehicle electrification. Located in the Hauts-de-France region of northern France, the plant manufactures approximately 27,000 products per day – equivalent to one every seven seconds – and 8 million products per year. Just over 3 in 10 cars produced per year in Europe are equipped with a 48V electric motor manufactured in Étaples. 80% of the plant’s production is exported, mainly within Europe but also to China, the United States, India and Japan. Étaples, which is one of Valeo’s most automated sites, employs approximately 200 people in the research and development of new products and manufacturing processes. In spring 2020, the French President chose the plant – recognized as a symbol of successful transformation – for the announcement of his recovery plan for the French automotive industry.

ISLE-D’ABEAU

A TRANSITION UNDERWAY

The Isle-d’Abeau plant, which has a long history in the production of starter motors, is transitioning to become a producer of Valeo’s 48V systems. Four lines of production are currently being installed there. This new generation of 48V systems reduces CO₂ emissions even further than the current generation. The site has already received two orders, for which initial production start-up is scheduled for 2021.

SAINTE-FLORINE

FIRST PLANT TO PRODUCE 48V-12V CONVERTERS

The Sainte-Florine plant produces the circuit boards used in the machines and software of the 48V systems. It is also home to the production of Valeo’s first 48V-12V power converters in Europe, with start of production slated for 2021.
“The Isle-d’Abeau site will become the European production center for the new generation of 48V systems. These systems are directly integrated into the vehicle gearbox and help to reduce CO₂ emissions even further than their predecessor. The site is also in charge of the development of new "small" electric mobility solutions, which are set to become a sizeable market. I’m thinking, for example, of the Citroën AMI, which is powered by a Valeo 48V motor, electric scooters, and even three-wheel vehicles. The future looks extremely bright for our 400 employees.”

BÉKIR MERCAN
HEAD OF THE ISLE-D’ABEAU SITE
In a highly disrupted market where automotive production slid by 20%, Valeo's original equipment sales in North America fell by 15% in 2020, outperforming the market by 3 percentage points. Driven by the ramp-up of numerous projects in the fields of ADAS (cameras) and lighting systems, Valeo delivered a strong performance at the end of the year.
SEYMOUR, INDIANA

THE HOTSPOT OF LIGHTING AND SIGNALING SYSTEMS

In Seymour, Valeo Lighting Systems designs and manufactures exterior lighting and signaling systems for the world’s leading automakers. These technologies include headlamps, fog lights, indicators and rear lights. The Seymour site employees some 2,500 people. To ensure the safety and well-being of everyone in the workplace, the plant adopted Valeo’s health protocol and the measures set out by the US Centers for Disease Control and Prevention. It implemented staggered shift patterns and installed plexiglas partitions between each workstation. Among a long list of measures implemented, the site also made the use of gloves and masks mandatory and introduced social distancing rules, reinforced cleaning of common areas and offices, daily temperature checks, 14-day quarantines, reduced seating in break areas and meeting rooms, and restricted visitor access.

A radar to save children’s lives

In the United States, an average of around 40 children die each year from heat stroke in a vehicle. In more than half of cases, these tragedies are the result of parents unknowingly leaving their children in the vehicle. To prevent such tragic deaths, Valeo has developed a short-range interior radar system that detects vehicle occupants’ slightest movements. The technology is so sophisticated that it can sense a person’s breathing patterns and identify movement even if the occupant is not visible – for example in the case of a baby sleeping under a blanket. If the device senses that someone – or even a pet – has been left inside the vehicle, it triggers an alarm alerting the driver.
SAN LUIS POTOSÍ, MEXICO

XXL PLANTS TO SUPPORT THE GROWTH OF NORTH AMERICAN MANUFACTURERS

Valeo Thermal Systems has two plants in San Luis Potosí. These two plants develop the systems needed to manage vehicle’s thermal energy, including those that reduce fuel consumption, CO₂ emissions, polluting gases and other toxic particles. These systems also enhance performance by reducing weight and size to ensure the best possible energy management.

The first plant employs nearly 2,000 people and produces thousands of evaporators, radiators, condensers and air coolers every day – or one part every 2.9 seconds! An additional plant has also been built to support customers’ growth on the North American markets. With a production capacity of more than 4 million units per year and an area equivalent to 3.5 soccer fields, Valeo has established a world-class plant that significantly expands its North American footprint.

RÍO BRAVO, MEXICO

A FULL RANGE OF SENSORS FOR SAFE AND INTUITIVE DRIVING

The Rio Bravo site provides a wide variety of technologies and has core competencies in electronics and sensors, including parking assistance sensors and the torque sensors that are integral to electric power steering systems. It also designs “top column modules”, which interface with the steering wheel and are used to activate essential features such as indicators, windshield wipers and active steering.

SAN LUIS POTOSÍ, MEXICO

IN NORTH AMERICA, VALEO’S TEAMS CONTRIBUTED TO A NUMBER OF VENTILATOR PROJECTS LED BY OUR AUTOMAKER CUSTOMERS, LENDING OUT RAPID PROTOTYPING EQUIPMENT, USING WIPER MOTORS TO POWER MANUAL VENTILATORS AND JOINING FORCES ON A HOSPITAL BED PROJECT FOR INTENSIVE CARE UNITS.
“The Rio Bravo plant took extraordinary steps both to protect our employees from the virus and to provide assistance to the plant’s neighboring health facilities.”

JOSÉ L. RAMÍREZ  
HEAD OF THE RÍO BRAVO SITE

“In addition to complying with Valeo’s health protocols and government requirements, the plant took a variety of measures, such as providing employees with care kits. The kits included reusable masks, disposable masks, surgical masks, disinfectant wipes, hand sanitizer, an electronic thermometer and a Valeo face shield. The old turnstile systems at the plant entrance were removed to prevent employees from touching the metal bars and instead, separate lanes were created for entering and exiting the plant. In addition, plexiglas screens were installed in workstations and in the cafeteria. The site also contributed to the collective effort by producing more than 20,000 visors for team members on-site and at other Valeo sites, and supplying more than 3,000 visors to nearby healthcare facilities.”
The future of mobility isn’t just about the car. Valeo is working on all forms of mobility, developing the best electric and automation technologies. At the heart of the operation are Valeo’s four Business Groups, which work in complete synergy. They draw on Valeo’s 12 technological platforms to increase average content per vehicle and accelerate the time to market for their innovations.
THE SMART HICLE
In a world where mobility is evolving rapidly, where regulations are demanding increasingly safer vehicles and where automated driving is becoming a reality, the Comfort & Driving Assistance Systems Business Group develops intuitive controls and user interfaces, connectivity solutions, as well as sensors and driving automation systems that make mobility easier and safer.

Although activity was impacted by the lockdowns in early 2020, it rebounded in the second half of the year, driven in particular by demand in China and significant order intake. These new orders were for high-tech content, and a whole 80% was for innovative products such as exterior and interior sensors, large touch screens and heads-up displays.

2020 also saw series production launch for innovations in ADAS and in the vehicle interior. These include wide-angle (100°) front cameras, which have earned several customers their 5th Euro NCAP star and, in "Vision Only" mode, make it possible to dispense with the long-range radar for functions such as automatic emergency braking and adaptive cruise control. The Business Group also launched series production for in-cabin driver monitoring systems, which alert the driver in case of drowsiness or a lapse of attention.

The "Vision Only" front camera is the world's first system to offer driving assistance based on the front camera alone. Previously, this was not possible without an additional radar. The device, which is more cost-effective without compromising performance, makes driving assistance widely accessible for entry and mid-range vehicles.

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At the heart of mobility electrification, from urban two-wheel vehicles to premium sedans, Valeo also works to reduce the carbon intensity of internal combustion engines. As a driver of the energy transition, the Group is revolutionizing mobility practices. In 2020, the Powertrain Systems Business Group maintained its production and development activity thanks to the commitment of its teams. The crisis has cemented user interest in new urban mobility solutions and consolidated the need to expand electric vehicle ranges. While Valeo may have had to reduce its capital expenditure, that has not stopped it from innovating. It has developed three flagship solutions – delivery droid prototypes in China, electric Kei trucks in Japan and the one-of-a-kind Valeo Smart e-Bike System. With sales of 4.3 billion euros and an extensive order book in the field of electrification, the Business Group is heading for the future, with a focus on electrification in the automotive segment and in new urban mobility solutions, including the smallest and most innovative forms. To prepare for the future and establish itself in this new ecosystem, Valeo is now also dedicating operations to electric charging stations.

Valeo Smart e-Bike System is the first technology on the bicycle market to combine a 48V electric motor and a 7-speed automatic gearbox. The whole system, which adjusts level of assistance provided to the cyclist in real time, right from the first pedal stroke, is hidden away in the pedal assembly.
EVER CLEANER AIR

The Business Group develops and manufactures smart thermal system management devices to meet the growing demand for comfort, health and well-being. In 2020, its teams demonstrated great care and commitment when they had to suddenly close and later reopen 72 plants around the world, without creating any disruption for its customers.

Thanks to the way in which operations were resumed, Valeo was able to reap the benefits of the economic rebound in the second half. Today, the Thermal Systems Business Group’s operations have been strengthened by the surge in vehicle electrification, and in particular demand for battery temperature management solutions. In the field of health, cleanliness and well-being, Valeo’s sales are also driven by its expertise in the management of air pollution in enclosed spaces. Its offering includes filters capable of purifying the air in the vehicle interior in under five minutes, and the UV Purifier, a sort of “health shield” for public transportation, that launched in 2020. The future of the Business Group lies in powertrain electrification and onboard comfort, which is increasingly individualized. Onboard comfort is becoming a major growth driver, spurred by the health crisis and the resulting need for protection. The challenge will be to meet this requirement without impacting the autonomy of the vehicle’s battery, made possible using tailored, high-performance thermal systems.

Valeo UV Purifier, developed to purify the air in coach and bus interiors, is capable of neutralizing over 95% of viruses. This innovation technology, which takes the form of a box containing powerful ultraviolet rays that are harmless to travelers, can be used in all forms of public, land, air and maritime transportation.

NO. 2
WORLDWIDE

€3.7BN
IN SALES

Cleaner mobility 81%
Other 19%
A world leader in its field, the Visibility Systems Business Group designs and produces exterior and interior lighting systems, windshield wiper and cleaning systems, and optical sensor cleaning systems. In response to the health crisis, all the necessary protocols were put in place to protect the health of employees. The commitment, adaptability and performance of Valeo’s teams enabled the Business Group to maintain its operations, launch products as planned and deliver strong results at the year-end. Today, Valeo develops increasingly innovative products with a clear focus on reducing the number of accidents and improving comfort for all. In particular, it deploys smart lighting systems that are both stylish and efficient. In 2020, Valeo began series production for ultra-compact lighting modules and received first prize in the Safety category at the CLEPA Innovation Awards 2020 for the development of its high-definition lighting solution, PictureBeam™ Monolithic®. In wiper systems, its AquaBlade® solution has been met with great commercial success, with the release of modules integrating cameras, sensors and its cleaning system positioning it as market leader. The future looks bright: lighting systems are being enhanced with new features to assist the driver, and the sensor cleaning market is being driven by the rise of the autonomous car and ADAS.

LiDAR Cleaning is a sensor cleaning technology for autonomous vehicles. Developed by Valeo with the ultimate aim of increasing road safety, this cleaning system provides optical sensors with perfect visibility, minimizes the consumption of wiper fluid and reduces CO₂ emissions.
To maintain the technical skills of professionals, Valeo Service has rolled out online assistance, information and training tools. In 2020, its websites, its online technical assistance platform Valeo Tech@ssist, and its e-learning modules all saw record visitor numbers.

Present in 150 countries, Valeo Service supports aftermarket professionals in their day-to-day, thanks to one of the largest aftermarket product catalogs in the world. In 2020, it saw contrasting performances from one half of the year to the next due to lockdown measures and closures of a number of repair workshops. Given the conditions, Valeo Service set two priorities: first, to protect the health of its employees and second, to honor its commitments to its customers, with whom it maintained close ties throughout the year. Valeo Service also took the year as an opportunity to step up its digital transformation, in particular with regard to its relations with workshops. This took the form of an online training catalog, technical documentation freely available on its web platforms, and a fully digital loyalty program to reward its partners. A particular highlight of 2020 was the launch of an offering to guarantee improved air quality in vehicle cabins, certified effective against coronaviruses.

Looking ahead to the future, Valeo Service will play a role in the consolidation, digitalization and decarbonization of the automotive market. Its goal is to become the undisputed technical benchmark for new technologies related to vehicle electrification and ADAS.
MASTERING THE TECHNOLOGIES OF TOMORROW

Thanks to massive investment over the last ten years in vehicle electrification and ADAS – two markets that are set to deliver strong growth in the near future – Valeo now has a unique position in the industry with exceptional prospects. The Group made significant investments in order to develop 12 new technological platforms. Now up and running, they give the Group a major competitive and technological advantage.

DRIVING SUSTAINABLE GROWTH

At the center of Valeo’s business model, its platforms boost growth by significantly increasing average content per vehicle and expanding the volume of order intake.

**AVERAGE CONTENT PER VEHICLE**

- $x_2$ in 48V electric systems versus a traditional vehicle.
- $x_9$ in high-voltage powertrain electrification with Valeo Siemens eAutomotive.
- $x_{10}$ minimum in ADAS between an entry-level vehicle (level 1 autonomy) and a premium vehicle (level 3 or 4 autonomy).

STRENGTHENING RESILIENCE FROM THE INSIDE OUT

Thanks to the standardization of technologies, means of production and manufacturing processes, technological platforms generate economies of scale. This enables the Group to reduce development costs and capital expenditure while continuing to pursue its innovation policy.

### 48V E-MACHINE AND E-AXLE PLATFORM

Capable of handling large production volumes, this platform meets a wide range of needs from a single technological base. The platform’s technical characteristics include specific, compact power electronics, torque assistance, a Stop-Start function, cybersecurity and software containing more than 600,000 lines of code.

$x_{2.5}$

**ORIGINAL EQUIPMENT SALES BETWEEN 2019 AND 2021**

### ADAS PLATFORM

The Group offers the automotive industry’s widest range of perception technology in series production, including ultrasonic and infrared sensors, cameras, radars, and LiDAR (Light Detection and Ranging) systems. This platform offers a front camera with the performance level required for level 2 autonomy without the support of another sensor.

### HIGH-VOLTAGE PLATFORM (VSeA)

The Valeo Siemens eAutomotive joint venture created in late 2016 produces electric motors for all-electric and plug-in hybrid vehicles. Intended for vehicles in all segments, high-voltage electric powertrain systems can be used in both urban and freeway driving situations. VSeA’s high-voltage solutions are set to be fitted on 90 new vehicles between 2020 and 2023.

$x_3$

**ORIGINAL EQUIPMENT SALES BETWEEN 2019 AND 2021**
PRESERVING
FUT
Valeo's growth must be both sustainable and shared with its stakeholders, with whom the Group’s future is closely linked. In response to increasingly stringent requirements in terms of sustainable development, Valeo forges close ties with them and even raises its goals. In 2020, the Group did everything possible to protect its employees impacted by the health crisis and to step up the reduction of its CO₂ emissions. Its new goal is to achieve carbon neutrality by 2050 and to have reached half of its objective by 2030.
EN ROUTE TO CARBON NEUTRALITY

At the beginning of 2021, Valeo committed to achieve carbon neutrality by 2050 and to have reached 45% of its objective by 2030. Its two-pronged approach involves innovating in continuously greener technologies and transforming Valeo’s manufacturing system and processes.

AN UNWAVERING COMMITMENT

Reducing CO₂ emissions is the pillar of Valeo’s strategy and the driving force behind its growth in a mobility market shaped by accelerating electrification. In 2020, the market saw a 43% increase in global electric and plug-in hybrid vehicle sales(1). This commitment concerns Valeo’s entire value chain, from R&D, eco-design and logistics, all the way to the day-to-day use of its solutions. To reaffirm its commitment, the Group signed up to the “Business Ambition for 1.5°C” campaign that brings together companies committed to achieving carbon neutrality by 2050.

Valeo certainly hasn’t waited to take action, which is why Corporate Knights ranked the Group as the most sustainable company in the automotive sector, among the world’s 100 most sustainable listed corporations. For the fifth year in a row, Valeo is the leading automotive supplier in the Dow Jones Sustainability Index (DJSI). At the beginning of 2021, Valeo joined the new “CAC 40 ESG” index comprising 40 companies that have demonstrated the best environmental, social and governance practices. Valeo’s inclusion in the index provides recognition of Valeo’s position as a leading player in sustainable development.

GREEN TECHNOLOGY

Technological innovation is the first building block in Valeo’s commitment to achieving carbon neutrality, and a source of value creation for both the Group and the planet. In ten years, it has increased Valeo’s sales relating to CO₂ emissions reduction 20-fold. As a result, Valeo has become the world leader in automotive electrification, both in low-voltage and high-voltage solutions. And this is just the beginning. In the coming decade, the Group will invest several billions of euros more in the development of technologies for cleaner and safer mobility. At the beginning of 2021, the European Investment Bank (EIB) strengthened Valeo’s strategy by providing 600 million euros in financing to optimize technologies aimed at reducing CO₂ emissions and improving road safety.

On March 10, 2010, at his first Investor Day following his appointment as Chief Executive Officer, Jacques Aschenbroich announced that: “Over the next decade, our growth driver will be the reduction of CO₂ emissions”.

€10BN
HAVE BEEN INVESTED IN THE PAST 10 YEARS IN TECHNOLOGIES THAT HELP TO REDUCE CO₂ EMISSIONS

94%
OF ORIGINAL EQUIPMENT SALES ARE DERIVED FROM TECHNOLOGIES THAT HELP TO REDUCE CO₂ EMISSIONS AND IMPROVE ROAD SAFETY

(1) Source: Frost & Sullivan (December 2020).
VALEO’S ROADMAP
TO CARBON NEUTRALITY
BY 2050

2020
50 MtCO₂eq.
across the entire value chain

2030
28 MtCO₂eq.
across the entire value chain

45% reduction over ten years

SCOPE 3
Upstream

15% reduction in emissions related to sourcing from Valeo’s suppliers, from 9.5 MtCO₂eq. in 2020 to 8.1 MtCO₂eq. in 2030

SCOPE 1
Direct emissions & SCOPE 2
Purchased energy

75% reduction in emissions related to Valeo’s operating activities, from 1.1 MtCO₂eq. in 2020 to 0.3 MtCO₂eq. in 2030

SCOPE 3
Downstream

15% reduction in emissions related to the end use of Valeo’s products, from 39 MtCO₂eq. in 2020 to 33.1 MtCO₂eq. in 2030

50% decrease taking into account emissions savings generated by electrification technologies, from 39 MtCO₂eq. in 2020 to 19.5 MtCO₂eq. in 2030
PRODUCING SUSTAINABLY

At the same time, Valeo is undergoing a transformation to reduce the impact of its own activities on the environment. Its goal is to reduce its CO₂ emissions relating to its operations by 75% by 2030. It aims to do this by making its plants more energy efficient and by managing its energy supply. Solutions include improving building insulation, using LED lighting, installing better performing furnaces, recovering heat from machinery and purchasing renewable energy. By 2030, 100 of the most carbon-intensive facilities will have been transformed into highly energy efficient sites.

At an operational level, Valeo has adopted an organizational structure adapted to a reasonable level of globalization. Its continental organization allows it to keep its carbon footprint to a minimum, as only 1% of flows are intercontinental. Continental production is mostly destined for local consumption. For example, in China 95% of production is for the Chinese market, and the remaining 5% is exported mainly to Asian countries. Valeo reserves its use of air transportation for urgent deliveries and, wherever possible, ships goods by rail rather than by sea. Valeo has also implemented a purchasing location policy designed to achieve virtual symmetry between areas of origin and consumption.

"Achieving carbon neutrality is a critical challenge and one that we are tackling head on. It requires a major transformation for an international group like ours, which has nearly 200 plants and more than 6,000 suppliers across the globe, and which equips millions of vehicles every year. As we already began this process a long time ago, we will succeed and will be well on the way to achieving our objective by 2030."

JEAN-LUC DI PAOLA-GALLONI
VALEO GROUP CORPORATE VICE-PRESIDENT, SUSTAINABLE DEVELOPMENT AND EXTERNAL AFFAIRS

MAKING ALL MOBILITY GREENER

Valeo develops technologies for all forms of urban mobility, such as kick-scooters, bicycles, two-wheel scooters, three-wheel vehicles and delivery droids. In addition, given the trend toward vehicle electrification, its technologies will help to avoid almost 20 million metric tons of annual CO₂ emissions by 2030, which is the equivalent to three and a half years of emissions from the city of Paris. Another promising area is the reinjection of electricity unused by electric cars into city power grids using vehicle-to-grid technology.

€400M
INVESTED BY 2030
TO TRANSFORM VALEO’S 200 PLANTS AND THEIR ENERGY SUPPLY

50%
REDUCTION IN EMISSIONS RELATED TO THE END USE OF VALEO’S PRODUCTS INCLUDING EMISSIONS SAVINGS GENERATED BY ELECTRIFICATION TECHNOLOGIES
PROTECTING EMPLOYEES

During the crisis, Valeo’s priority was to protect the health of its employees. Across the globe, the Group applied strict and unique health protocol.

PREPARING FOR THE RECOVERY

With two plants and a research center located in Wuhan, China, the epicenter of the pandemic in February 2020, Valeo had to tackle the Covid-19 situation from very early on. Right away, the Group implemented a reinforced health protocol that went beyond all regulations. As the virus spread, the measures were rolled out across its 187 plants in 33 countries. Valeo enforced mandatory measures such as daily use of face masks, temperature checks on entry to sites, use of hand sanitizer, social distancing, and the disinfection of workspaces between each shift. The Group also implemented one-way systems across its sites and took steps to minimize movement around the premises. Cafeteria opening hours were extended, menus were simplified and the use of locker rooms and bathrooms was adapted. These mandatory measures were applied systematically and consistently at all sites worldwide, whether in plants R&D centers or head offices.

MORE THAN JUST RULES, A STATE OF MIND

Despite their strict and restrictive nature, these measures remain in place, including in the least affected countries and in areas where local governments eased restrictions. Regular audits were performed to ensure that the protocol was properly applied. For the 30,000 employees whose positions allowed, homeworking was quickly rolled out thanks to the commitment of the Group’s IT teams.

The number of employees allowed at head offices and R&D centers was adjusted in line with the evolving health situation and regulations, allowing business activity to pick up again quickly and productivity to remain at a high level. This collective discipline enabled Valeo to keep the commitments made to its customers and take full advantage of the upturn in activity in the second half of the year. The crisis also demonstrated the resistance, ingenuity and solidarity of Valeo’s teams. In Wuhan, for example, the 400 employees in the technical center, who were almost all working from home, successfully adapted projects and processes to meet customer requirements in the allotted time frames.
The health crisis put a great deal of pressure on business and, as a result, jobs. In France, Valeo quickly did what was necessary to save jobs. Elsewhere, the Group had to temporarily halt the renewal of workers on temporary contracts due to the sudden drop in business activity.

The jobs market in France, Valeo’s birthplace, has been under great scrutiny due to a decline in competitiveness. In response to the situation, Valeo and the labor organizations took steps to improve competitiveness, which forms the basis of the Group’s future in France. Thanks to constructive social dialog, they were able to reach an exemplary agreement for competitiveness and collective performance. Under the agreement, the Group undertook to keep all of its plants open and refrain from compulsory redundancies over the next two years. In exchange, Valeo will apply cost-saving measures, including freezing pay for a year, suspending discretionary profit sharing for two years, and implementing long-term partial working arrangements in the event of a decline in activity locally. The goal is to reduce personnel costs by 10% in France. The agreement provides for these measures to be rolled back in the event that performance picks up.

French President Emmanuel Macron chose Valeo’s alternator manufacturing plant in Étaples (Hauts-de-France) to announce the government plan to revive the French automotive industry. The plan, unveiled on May 26, 2020, highlights Valeo’s strategic positioning and enables it to step up the location in France of future production lines for 48V electric motors. This technology, which enables vehicle electrification at an affordable cost, will represent 30% of the global automotive market by 2030. To support the plan, the Group has pledged to locate the new technologies related to vehicle electrification – such as 48V electric motors – in France, including in Étaples. The plan will ensure the transition of other major Valeo production sites in France, creating new jobs and boosting the local economy. This is particularly the case in L’Isle-d’Abeau (Isère), Sainte-Florine (Haute-Loire) and Sablé-sur-Sarthe (Sarthe). The French government’s 150 million euro innovation fund will also support the regional foothold of several research centers specialized in developing the technologies of tomorrow.
GIVING WOMEN EVERY CHANCE OF SUCCESS

Gender equality is a key part of Valeo’s "Diversity" program. Committed to equal pay between men and women in all countries where it operates, Valeo sees gender equality as a pre-condition to value creation.

EFFORTS ACKNOWLEDGED

Valeo is the first CAC 40 group to have extended the gender equality index, which is mandatory in France, to all of its host countries. It scored an average of 82.6/100 for 2020, up 0.6 percentage points compared to the previous year. Thanks to the action plans implemented in each country, Valeo has made progress on most criteria. The Group set itself the objective of achieving an average score of 90/100 by 2025.

APPOINTING MORE WOMEN TO MANAGEMENT POSITIONS

As well as the index, Valeo has defined a specific strategy aimed at increasing the number of women on its management committees. The goal of the "Women Executive" strategy is to increase the proportion of women in management roles – such as Operations Committee member, site director and country director – to 32% by 2030, from 16% in 2019. Many women employees have expressed their interest in having access to advice and inspiring role models. To meet these expectations, Valeo has created an original program built on three key pillars:

Experience Sharing – "woman4women"
At several events, experienced women managers from Valeo share their experience, successes and reservations, and challenges they have faced. Each presentation is followed by a very open Q&A session.

Business Talks – "women&business"
Senior executives discuss their roles, Valeo’s challenges and priorities, and the impact of their fields.

Confidential Discussion – "woman2woman"
Valeo offers women employees personal mentoring through private and informal sessions. During the sessions, they can ask questions about different stages of their career, promotions and personal aspirations, and ask for advice.

"We all aspire to grow as human beings and to be driven by role models that guide us forward. Valeo’s "Gender Diversity" program is fully in line with this philosophy. We aim to put inspiring women in the spotlight and promote exchanges with the women at Valeo. Sharing experiences is crucial to understanding how to build the career that’s right for us, to pass milestones and to overcome obstacles, because careers rarely follow a straight path."

SABINE WOYTOWICZ
HR QUALITY AND 5 AXES SCHOOL DIRECTOR, GERMANY
Valeo maintains close relations with its stakeholders both within and outside the company at all times. Whether customers, shareholders or potential candidates, these stakeholders rate Valeo’s performance and having increasing expectations in terms of sustainable development. Fair trade practices, loyalty, integrity and mutual respect with regard to all of these stakeholders are the foundation of Valeo’s current and future success.

AUTOMAKER CUSTOMERS AND DISTRIBUTORS
Design, develop, manufacture and market innovative products and systems for sustainable mobility.

R&D PARTNERS
Establish cooperative and industry-oriented R&D to organize exchanges of competences, techniques and know-how.

EMPLOYEES
Ensure ongoing dialog with employees and the leaders of the different labor organizations and professional bodies in order to continue promoting high-quality labor relations.

CREDIT AND NON-FINANCIAL RATING AGENCIES
Obtain recognition for Valeo’s financial, employee, environmental and social commitments.

PARTNERS AND SUPPLIERS
Cooperate and co-construct solutions in compliance with competition law and fundamental rights.

FINANCIAL COMMUNITY AND INDIVIDUAL SHAREHOLDERS
Adopt a dialog-based approach building on the relevance, rigor and transparency of information relating to the Group’s results.

REGIONS
Ensure positive development interaction between the Group and its local ecosystem.

INSTITUTIONS
Conduct economic, industrial and labor dialog in compliance with national, European and international laws and regulations.
Valeo has set new objectives for 2025 based on four key axes: innovation, environment, employees and commitment to corporate citizenship. The new five-year plan is in line with Valeo’s Carbon Neutrality Plan announced in February 2021.

<table>
<thead>
<tr>
<th>AXES</th>
<th>CHALLENGES</th>
<th>KEY INDICATORS</th>
<th>2019 RESULTS</th>
<th>2020 RESULTS</th>
<th>2021 OBJECTIVES</th>
<th>2025 OBJECTIVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>INNOVATION</td>
<td>Carbon plan and low-carbon mobility solutions/autonomous and connected vehicle</td>
<td>CO₂ emissions reduction across all operating activities, suppliers and the end use of its products (Scopes 1, 2 and 3) (in MtCO₂)</td>
<td>49.6</td>
<td>39.7</td>
<td>48.1</td>
<td>45.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Share of products contributing to the reduction of CO₂ emissions (% of sales)</td>
<td>57%</td>
<td>61%</td>
<td>&gt;50%</td>
<td>&gt;50%</td>
</tr>
<tr>
<td>ENVIRONMENTAL ECO-EFFICIENCY</td>
<td>Energy and carbon efficiency of production</td>
<td>Energy consumption as a proportion of sales (MWh/€m)</td>
<td>142</td>
<td>163</td>
<td>140</td>
<td>134</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Direct (Scope 1) and indirect (Scope 2) emissions as a proportion of sales (tCO₂/€m)</td>
<td>58</td>
<td>42</td>
<td>50</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• ISO 50001 energy management certification (% of sites)</td>
<td>18%</td>
<td>20%</td>
<td>23%</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>Discharges and waste</td>
<td>Production of hazardous and non-hazardous waste as a proportion of sales (t/€m)</td>
<td>16.4</td>
<td>17.3</td>
<td>16.0</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Direct (Scope 1) and indirect (Scope 2) emissions as a proportion of sales (tCO₂/€m)</td>
<td>5.49%</td>
<td>-2%</td>
<td>-2%</td>
<td>-9%</td>
</tr>
<tr>
<td></td>
<td>Water</td>
<td>Water consumption as a proportion of sales (cu.m/€m)</td>
<td>197</td>
<td>213</td>
<td>193</td>
<td>185</td>
</tr>
<tr>
<td></td>
<td>Health and safety</td>
<td>Accident frequency rate (FR1)</td>
<td>1.9</td>
<td>1.8</td>
<td>&lt;1.9</td>
<td>&lt;1.7</td>
</tr>
<tr>
<td>EMPLOYEES</td>
<td>Promoting diversity</td>
<td>Gender equality index</td>
<td>82.0</td>
<td>82.6</td>
<td>85</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Number of hours of technical training (in thousands of hours)</td>
<td>2,425</td>
<td>1,772</td>
<td>2,500</td>
<td>3,000</td>
</tr>
<tr>
<td></td>
<td>Quality of life at work</td>
<td>Rate of compliance with the &quot;Building a well-being environment&quot; roadmap(2)</td>
<td>61%</td>
<td>65%</td>
<td>66%</td>
<td>75%</td>
</tr>
<tr>
<td>COMMITMENT TO CORPORATE CITIZENSHIP</td>
<td>Purchasing and sustainable development</td>
<td>Share of production purchases for which the suppliers’ sustainable development practices were assessed during the year (% of total purchases)</td>
<td>80%</td>
<td>80%</td>
<td>81%</td>
<td>82%</td>
</tr>
<tr>
<td></td>
<td>Local integration</td>
<td>Organization of initiatives and events by the Valeo sites with educational and vocational training institutions (% of sites)</td>
<td>68%</td>
<td>70%</td>
<td>80%</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td>Local communities</td>
<td>Share of sites participating in the &quot;One Plant, One Initiative&quot; program</td>
<td>50%</td>
<td>55%</td>
<td>66%</td>
<td>100%</td>
</tr>
</tbody>
</table>

(1) 2019 is the reference year under the new 2020-2025 plan.
(2) To monitor progress on this roadmap, action plans are defined and audited by Valeo’s internal auditors each year.
2020 RESPONSIBLE PERFORMANCE INDICATORS

FROM MEGATRENDS TO INNOVATION

A STRATEGY DRIVEN BY GREENER AND SAFER MOBILITY

% of original equipment sales derived from products contributing to cleaner and safer mobility

<table>
<thead>
<tr>
<th>Category</th>
<th>2019</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safer</td>
<td></td>
<td>48%</td>
<td>34%</td>
</tr>
<tr>
<td>Cleaner and safer</td>
<td></td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

GROSS RESEARCH AND DEVELOPMENT EXPENDITURE in millions of euros and as a % of original equipment sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
<th>% of Original Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>2,054</td>
<td>12.6%</td>
</tr>
<tr>
<td>2020</td>
<td>1,660</td>
<td>12%</td>
</tr>
</tbody>
</table>

18,480 RESEARCH AND DEVELOPMENT EMPLOYEES, INCLUDING 7,000 SOFTWARE ENGINEERS

1,373 EXPERTS UP 9% COMPARED TO 2019
ENVIRONMENTAL INDICATORS

Total Direct (Scope 1) and Indirect (Scope 2) GHG Emissions\(^{(1)}\)
As a proportion of sales
\((\text{tCO}_2/\text{€m})\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>199</td>
<td>140</td>
<td>163</td>
</tr>
</tbody>
</table>

Total Water Consumption
As a proportion of sales
\((\text{cu.m}/\text{€m})\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>213</td>
<td>167</td>
<td>368</td>
</tr>
</tbody>
</table>

Energy Consumption
\((\text{MWh}/\text{€m})\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>42.1</td>
<td>57.5</td>
<td>59.6</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Greenhouse gas.

20% of sites certified ISO 50001

Up 12 percentage points compared to 2015
LABOR-RELATED INDICATORS

FREQUENCY RATE OF OCCUPATIONAL ACCIDENTS\(^{(1)}\) (FR1)

- **2019**: 1.9
- **2020**: 1.4

**Calculation of FR1:** number of lost-time accidents x 1,000,000/number of hours worked during the year.

AVERAGE NUMBER OF TRAINING HOURS PROVIDED PER EMPLOYEE\(^{(1)}\)

- **2019**: 23.4
- **2020**: 17.9

**This ratio corresponds to all employees trained during the year (including those no longer in the Group)/total headcount at end-December.**

PERCENTAGE OF WOMEN AMONG NEW HIRES

- **Managers and Professionals**
  - **2018**: 26%
  - **2019**: 26%
  - **2020**: 26%
- **Technicians**
  - **2018**: 32.8%
  - **2019**: 32.8%
  - **2020**: 29%
- **Operators**
  - **2018**: 36.2%
  - **2019**: 38.1%
  - **2020**: 42%

PROPORTION OF EMPLOYEES WITH DISABILITIES WORLDWIDE (DIRECT EMPLOYMENT)

- **Managers and Professionals**
  - **2018**: 2.3%
  - **2019**: 2.1%
  - **2020**: 1.8%
CORPORATE CITIZENSHIP INDICATORS

SHARE OF PRODUCTION PURCHASES FOR WHICH THE SUPPLIERS’ SUSTAINABLE DEVELOPMENT PRACTICES WERE ASSESSED DURING THE YEAR (% of total purchases)

SHARE OF SITES Partnering with local universities/engineering schools in 2020

<table>
<thead>
<tr>
<th>Region</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>South America</td>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>North America</td>
<td>62%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Africa</td>
<td>57%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central and Eastern Europe</td>
<td>85%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Western Europe</td>
<td>88%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>77%</td>
</tr>
</tbody>
</table>

SHARE OF SITES Partnering with local elementary/secondary schools in 2020

<table>
<thead>
<tr>
<th>Region</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>South America</td>
<td></td>
<td></td>
<td>22%</td>
</tr>
<tr>
<td>North America</td>
<td></td>
<td></td>
<td>17%</td>
</tr>
<tr>
<td>Africa</td>
<td></td>
<td></td>
<td>14%</td>
</tr>
<tr>
<td>Central and Eastern Europe</td>
<td></td>
<td></td>
<td>17%</td>
</tr>
<tr>
<td>Western Europe</td>
<td></td>
<td></td>
<td>14%</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>70%</td>
</tr>
</tbody>
</table>

70% of Valeo sites organize initiatives and events with educational and vocational training institutions.
DOWNLOAD THE 2020 UNIVERSAL REGISTRATION DOCUMENT

READ OUR FIRST CLIMATE REPORT

FOR MORE INFORMATION

VISIT OUR WEBSITE AT WWW.VALEO.COM/EN

FOLLOW US ON SOCIAL MEDIA
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