

PRESS RELEASE

Paris, July 27, 2021

Valeo becomes the first European player in the automotive to issue a sustainability-linked bond, with a 700 million euros bond

Valeo announced the placement of 700 million euros worth of its inaugural sustainability-linked bond, with maturity on August 3 2028. Valeo is the first European player in the automotive sector to issue this type of bond.

This Sustainability-Linked Bond enabled the placement of 700 million euros worth of bonds with 7-year maturity and a coupon of 1.00%. Credit Agricole CIB acted as Sole Sustainable Structuring Advisor. BNP Paribas and Credit Agricole CIB acted as Joint Global Coordinators, and BNP Paribas, Credit Agricole CIB, CIC, Mizuho, Natixis and Société Générale as Joint Active Bookrunners. The net proceeds of the transaction will be used for financing general corporate purposes.

"This transaction underlines Valeo's commitment to achieving carbon neutrality and is a natural extension of our commitment to global sustainable development, an area in which the Group is recognized as a leader" said Jacques Aschenbroich, CEO of Valeo.

Valeo has committed to achieving carbon neutrality by 2050. By 2030, Valeo's emissions will have decreased by 45% across its entire value chain - including emissions from its suppliers, its own operating activities and the end use of its products - compared with 2019. On the journey to carbon neutrality, 2030 is an important and fast-approaching milestone.

Valeo will continue to expand its portfolio of technologies that contribute to low-carbon mobility, in particular its solutions for vehicle electrification, a field in which the Group is currently world leader.

In 2020, 94% of the Group's original equipment sales were generated by technologies that contribute to reducing CO2 emissions and improving road safety.

Valeo is regularly recognized for its comprehensive sustainable development (environmental, social and governance) approach.

Valeo joined the new "CAC 40 ESG" index, in March 2021, which includes 40 companies that have demonstrated best practices from an environmental, social and governance perspective.

In 2021, Valeo was also ranked by Corporate Knights as the number one company in the automotive sector in terms of sustainable development among the 100 listed companies worldwide who are leaders in this field. In 2020, Valeo was also the highest rated automotive supplier by the extra-financial rating agencies MSCI (AAA), CDP (A), Sustainalytics and SAM (76/100) and confirmed its position as leader in the Dow Jones Sustainability Index (DJSI) World for the fifth consecutive year.

Valeo is an automotive supplier, partner to all automakers worldwide. As a technology company, Valeo proposes innovative products and systems that contribute to the reduction of CO2 emissions and to the development of intuitive driving. In first-half 2021, the Group generated sales of 9.0 billion euros and invested 9.5% of its sales in Research and Development. At June 30, 2021, Valeo had 184 plants, 20 research centers, 42 development centers and 15 distribution platforms, and employed 104,000 people in 33 countries worldwide. Valeo is listed on the Paris Stock Exchange

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