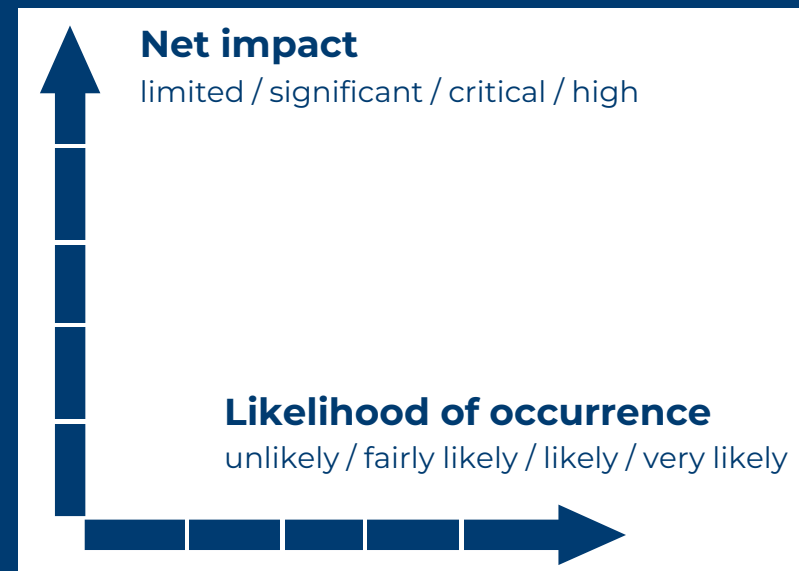


Valeo's risk assessment approach

- Valeo has a **global risk management system**, ensuring ongoing identification, prioritization, analysis and management
- Valeo's risk management process is steered by a **governance structure** at the highest level of the organisation (Risks Committee, Audit & Risks Committee)
- In accordance to European regulation (CSRD), Valeo applies **double-materiality** approach to assess environmental risks (o/w impact materiality on environment and society)

Risks are assessed according to **2 criteria**:



Atmospheric discharges is identified as a non-financial risk

Valeo has identified **4 categories** of **non-financial risks**:



Focus on risk related to atmospheric discharges and emissions

Risk related to atmospheric discharges and emissions

Atmospheric emissions monitored by Valeo

- Volatile organic compounds (**VOCs**)
- Nitrogen oxides (**NOx**)
- Lead (**Pb**)
- Trichlorethylene (**TCE**)

Due diligence policies and procedures

- **Eradication** of the use of halogenated solvents and ozone-depleting substances
- **Control** of air emissions with an annual measurement

Risk management policy

All Valeo sites must:

- draw up an **inventory** of their emissions, including:
 - source,
 - facilities for their treatment,
 - description based on their origin,
 - quantification to determine the need for operating permits
- assess ways of **reducing** emissions at the source
- have a **HSE network**
- detect leaks and have **remediation plans**
- have **control audits** by external parties