



2023 RESULTS & 2025 MOVE UP PLAN progress review

February 29, 2024

Christophe Périllat
Chief Executive Officer

Edouard de Pirey
Chief Financial Officer

SMART TECHNOLOGY FOR SMARTER MOBILITY



01

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**2023
Results &
Performance**

03

**2025
Move Up
strategic plan**

04

**Financial
roadmap to
2025 targets**

05

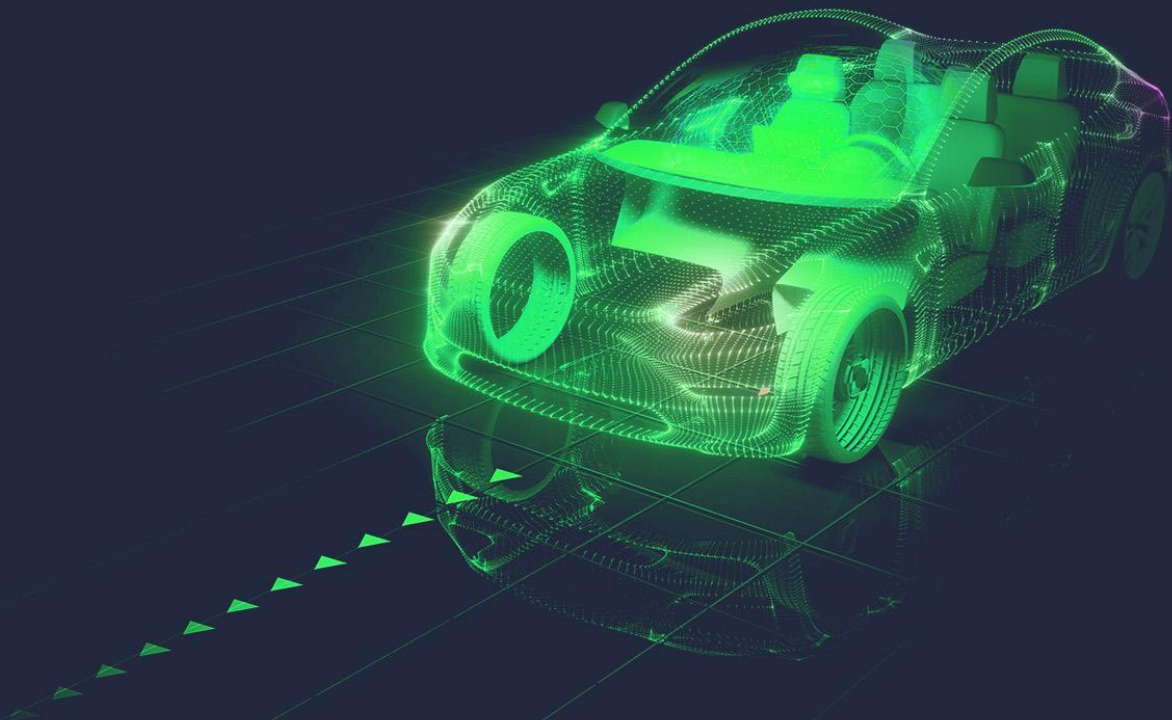
**Backup
Slides**

For purposes of comparison with prior periods, this presentation has been prepared based on adjusted figures meaning: adding 100% of the former VSeA figures for 2021 and 2022 in the Valeo consolidated financial statements and removing the corresponding share in net earnings of the high-voltage Business. See financial glossary, page 54.

01

Highlights

Christophe Périllat
Chief Executive Officer



2023 guidance fully achieved

FY 2023
RESULTS

Group Sales
€22.0bn

EBITDA

€2,647m
12.0%

Operating margin
€838m

3.8%

Free cash flow
€379m

FY 2023
GUIDANCE

Group Sales
€22bn - €23bn

EBITDA

11.5% - 12.3%

Operating margin
3.2% - 4.0%

Free cash flow
> €320m



H2 commitments completed

Deliver first
step of **THS**
recovery

+2.0pts
H2 EBITDA margin
vs H1



Finalize
new phase
of synergies
and efficiency
programs



Finalize
remaining
inflation
negotiations



Positive WC
contribution
to FCF



€500m
divestment
program

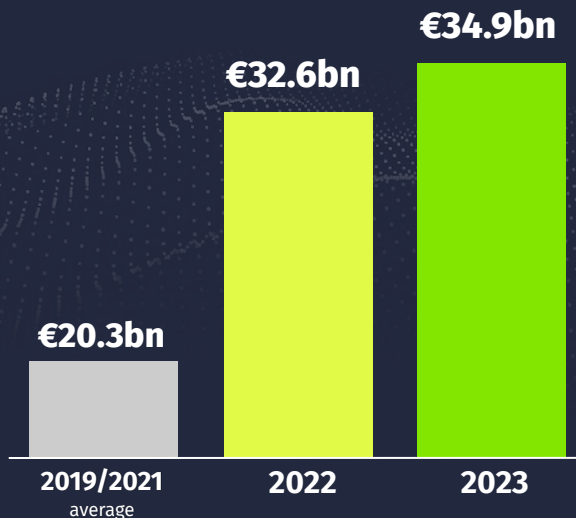
~€400m signed
(6 transactions)
€100m ongoing

Continuous financial improvement since 2021

	FY 2021 adjusted*	FY 2022 adjusted*	FY 2023
Sales (in millions)	€18,014	€20,407	€22,044
EBITDA (as % of sales)	11.3%	11.4%	12.0%
Operating margin (as % of sales)	1.7%	2.4%	3.8%
Free cash flow	€(102)m	€205m	€379m

Strong customer confidence in Valeo's technologies

Further improvement in embedded margins



**BOOK
TO BILL
RATIO***

1.4x

1.9x

1.9x

ADAS & Int. Exp.
acceleration



More than half

of 2023 Group order intake

Electrification
acceleration



€6bn in new orders

in high-voltage electric
powertrain

Margin embedded in 2022/2023 orders

- Significant margin improvement in 2022
- Incremental margin improvement in 2023

2023 ESG performance on track to achieve our 2025 objectives



Carbon footprint



CO₂ emissions* (scopes 1, 2, 3)

-9% in absolute value

-20% intensity ratio (as a proportion of sales)

Taxonomy

almost 100% alignment for each eligible indicator

Water consumption**

-18% in volume & New CDP Water A Rating



Gender diversity & Safety



Women in managers & engineers

25.5% (+1.4pts vs. 2022)

Women in Top 300

23.6% (+2.9pts vs. 2022)

Safety, FR1 indicator***

0.8 (vs. 1.1 in 2022)



Impeccable business practices towards end to end integrity



New, 2 revised Codes

code of business ethics
& business partners code of conduct

Compliance trainings

anti-corruption, anti-trust and
economic sanctions and export control

CSR criteria included in variable compensation of +1,700 managers

* Millions of tCO₂eq., compared with 2019 reference year and including scope change

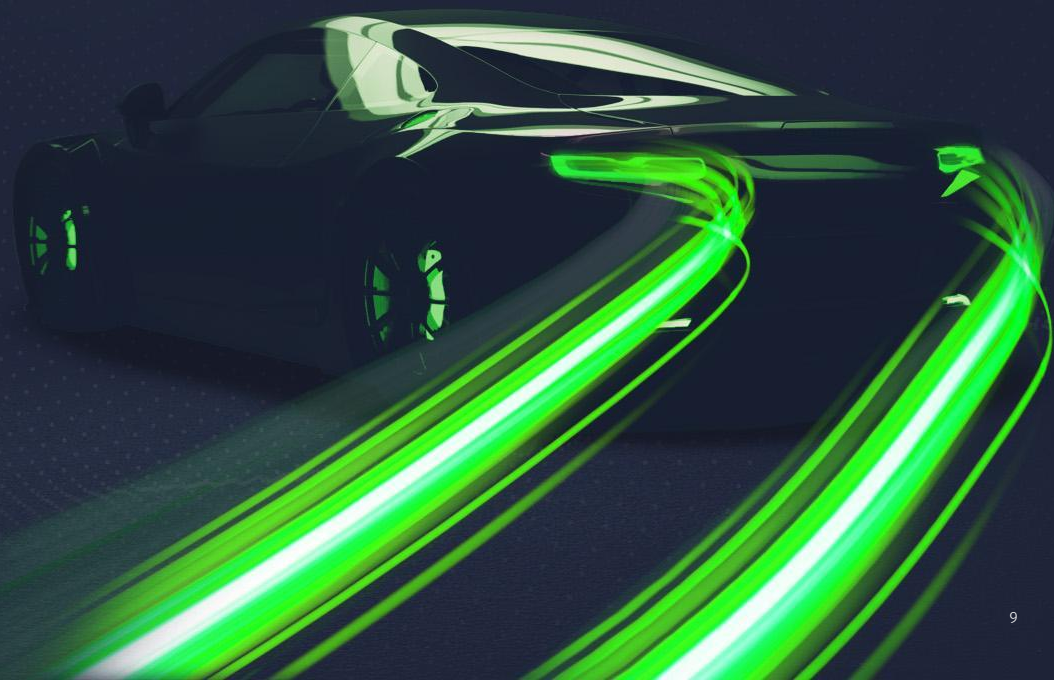
** Volume in cu.m, compared with 2019 reference year and including scope change

*** FR1: Accident frequency rate (FR1): number of accidents with lost time per million hours worked

02

2023 Results & Performance

Edouard de Pirey
Chief Financial Officer



02

Total sales amounting to €22.0bn, up 11% lfl adj.

Full Year sales by type

Total sales
€22,044m

incl. high-voltage powertrain

€1,447m (vs 1,041m* in 2022)

+11%

lfl adjusted growth*

Year-on-year change: +10%

like-for-like growth: +9%

Exchange rate: -3%

Scope: 4%

OEM

€18,701m

+13%

lfl adjusted growth*

Year-on-year change: +12%

like-for-like growth: +11%

Exchange rate: -3%

Scope: 4%

Aftermarket

€2,267m

+4%

lfl adjusted growth*

Year-on-year change: 0%

like-for-like growth: +4%

Exchange rate: -3%

Scope: 0%

Miscellaneous

€1,076m

+4%

lfl adjusted growth*

Year-on-year change: +4%

like-for-like growth: +1%

Exchange rate: -3%

Scope: +6%

OEM sales

Perf.* by region

World

+3 pts
adjusted** outperf.

+11% OEM sales lfl**

+10% Production*

+1 pt
outperformance

3 pts global outperformance

3 pts outperformance in Europe

Ongoing customer repositioning in China to bear fruit from H2 2024



Europe
(including Africa)

+3 pts

+12% OEM sales lfl
+13% Production*

-1 pt



North America

-1 pt

+9% OEM sales lfl
+10% Production*

-1 pt



Asia
(excluding China)

+9 pts

+16% OEM sales lfl
+8% Production*

+8 pts



China

-6 pts

+5% OEM sales lfl
+10% Production*

-5 pts



South America

In line

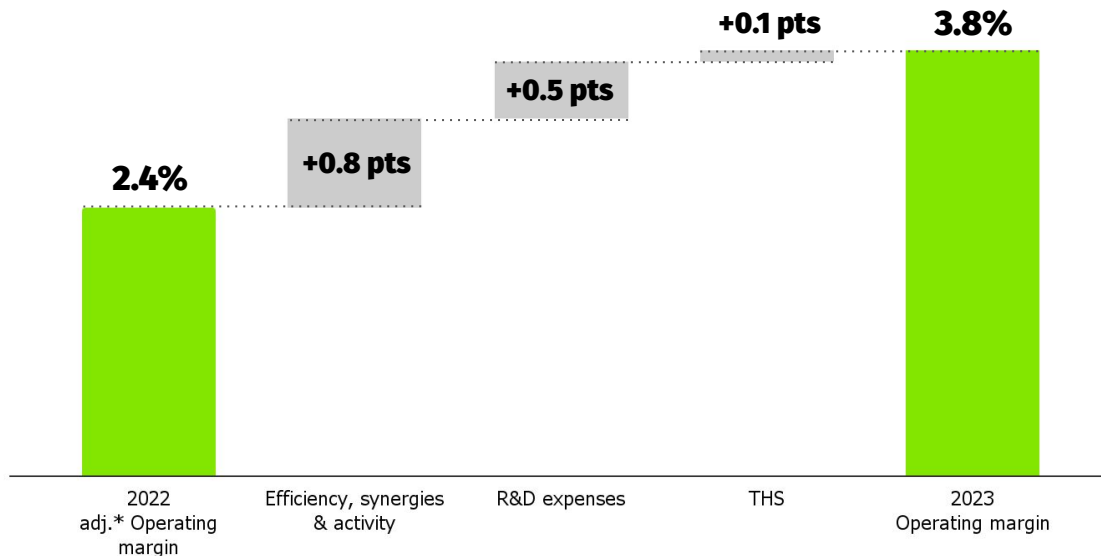
+3% OEM sales lfl
+3% Production*

In line

Operating margin +140 basis points on an adj. basis

At 3.8% of sales

As a % of sales



Efficiency, inflation recovery & activity

Efficiency plan on track

+0.8 pts

R&D expenses

Increasing efficiency in R&D:

- Order intake, **+58%** over the last 2 years
- Gross R&D*, **+30%** over the last 2 years

Strong & **more profitable order intake** leading to higher R&D capitalization:

- Capitalization IFRS impact, at 2.1 pts

THS

FY EBITDA margin up around 0.3 pts

H2 EBITDA margin +2 pts vs H1

Net income at 1.0% of sales, up 50% on an adj. basis

Despite increase in cost of net debt

€m	FY 2022 adjusted*	FY 2023
Operating margin excl. JV & associates	494	838
<i>As a % of sales</i>	2.4%	3.8%
JV & associates**	193	17
Operating margin incl. JV & associates	687	855
<i>As a % of sales</i>	3.4%	3.9%
Other income & expenses	(106)	(111)
Cost of net debt	(147)	(243)
Other financial income & expenses	(5)	(47)
Income before taxes	429	454
<i>As a % of sales</i>	1.2%	2.1%
Income taxes	(218)	(154)
Non-controlling interests	(63)	(79)
Net attributable income	148	221
<i>As a % of sales</i>	0.7%	1.0%

Other expenses

€(111)m of which €(90)m of restructuring mainly in Amiens and Bad Neustadt sites

Cost of net debt

Refinancing in a context of significant increase in interest rates

€(243)m

FY segment information



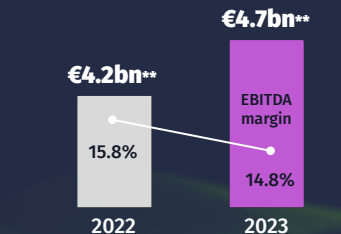
Comfort & Driving Assistance Systems (CDA)

+4 pts OEM sales outperf.

Highest EBITDA of the Group

Preparing future growth

ADAS : +8 pts outperf. / 16.8% EBITDA margin



Ix: -4 pts outperf. / 9.5% EBITDA margin

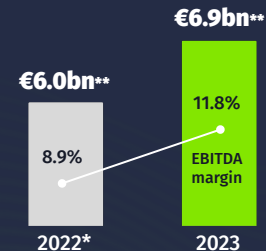


Powertrain Systems (PTS)

+9 pts adjusted OEM sales outperf.*

Ahead of schedule for synergies

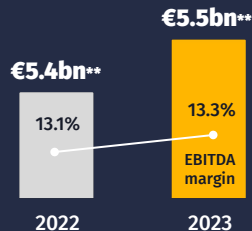
Contribution of hybrid and ICE products



Visibility Systems (VIS)

OEM sales perf. in line with auto production

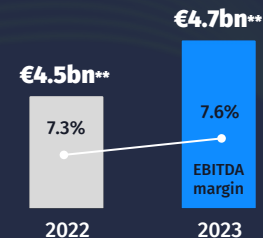
Acceleration in Ifl growth in Q4



Thermal Systems (THS)

-1 pt OEM sales perf.

+2 pts EBITDA margin in H2 vs H1



Free Cash Flow of €379m

€m	FY 2022 adjusted*	FY 2023
EBITDA	2,323	2,647
<i>As a % of sales</i>	11.4%	12.0%
Tangible CAPEX (property, plant & equipment)	(845)	(964)
Intangible CAPEX	(687)	(1,037)
<i>of which capitalized R&D</i>	(660)	(995)
Change in working capital	247	278
Taxes	(296)	(225)
Other**	(537)	(320)
Free Cash Flow	205	379
Net financial expenses	(103)	(209)
Dividends	(143)	(127)
Other financial items	(552)	76
Net Cash Flow	(593)	119

* See glossary, page 54

** Of which: (180) change in provisions, (115) Lease payments, (68) Restructuring costs

EBITDA

Improvement in EBITDA contribution

€2,647m or 12.0% of sales

Capex (PP&E)

Under strict control in a context of strong increase in order intake

€(964)m

Working capital

Positive contribution despite inventories of electronic components maintained at a high level

€278m

Net financial expenses

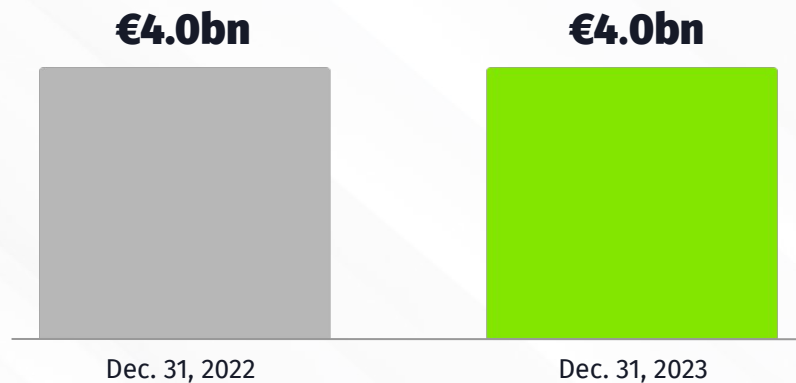
Increase in a context of higher interest rates

€209m

Leverage ratio down to 1.5x, vs 1.7x a year ago

Financial net debt remains stable

Net debt in €bn



Gearing ratio

Net debt/Shareholders' equity

113%

As of Dec. 31, 2023

Leverage ratio

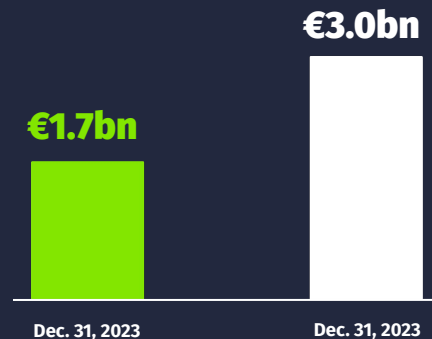
Net debt/EBITDA
(Covenant: < 3.5)

1.5X, vs 1.7x a year ago

As of Dec. 31, 2023

Undrawn
credit lines

Cash & Cash
equivalents

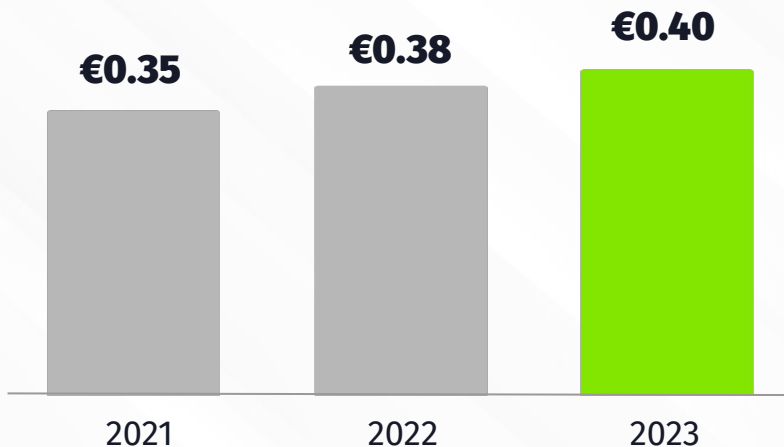


Credit ratings

	LT	Outlook	ST
Moody's	Baa3	Negative	Prime-3
S&P Global	BB+	Stable	B

Proposed dividend per share

Progressive increase to €0.40 per share



Dividend
of **€0.40** per share

To be proposed at the next
Shareholders' Meeting on
May, 23 2024

03

2025 Move Up strategic plan

Christophe Périllat
Chief Executive Officer

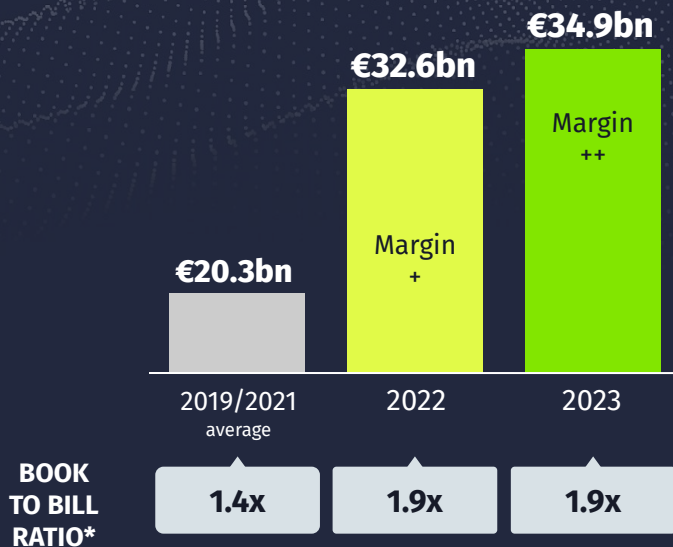


Unique positioning of Valeo on key trends in our industry

Move Up strategy validated by our customers

The market is offering Valeo numerous opportunities
Valeo has pricing power and is highly selective on new orders

**MOVE
UP**
Valeo



We are accelerating Valeo's transformation



Transformation driven by order intake

- > Growth acceleration supported by attractive and leading technologies
- > Orders taken since 2022 to start contributing to sales from 2025
- > Orders taken since 2022 starting to improve the product and geo. mix



Transformation driven by cost reduction

- > One-off exceptional self-help measures: €300m* of 2024/2025 FCF to be allocated to lower cost base
- > Continued recovery of Thermal and Powertrain margins
- > Accelerating R&D efficiency



Transformation driven by strong cash culture

- > Extreme selectivity of orders in a market offering numerous opportunities
- > Rigorous management of capex and working capital
- > Decrease in R&D capitalization impact

2024 & 2025 roadmap

	FY 2023 reported	FY 2024 guidance (a) (b)	FY 2025 objectives (b)	Previous 2025 objectives (Feb. 2022 based on 98.5m LV)
Sales	€22bn	€22.5bn to €23.5bn	€24.5bn to €25.5bn	~€27.5bn
EBITDA (as % of sales)	12.0%	12.1% to 13.1%	13.5% to 14.5%	~14.5%
Operating margin (as % of sales)	3.8%	4.0% to 5.0%	5.5% to 6.5%	~6.5%
Free cash flow before one-off exceptional cost of self-help measures (c)	-	~€500m	~€800m	-
Free cash flow after one-off exceptional cost of self-help measures (c)	€379m	~€350m	~€650m	€0.8bn to €1bn

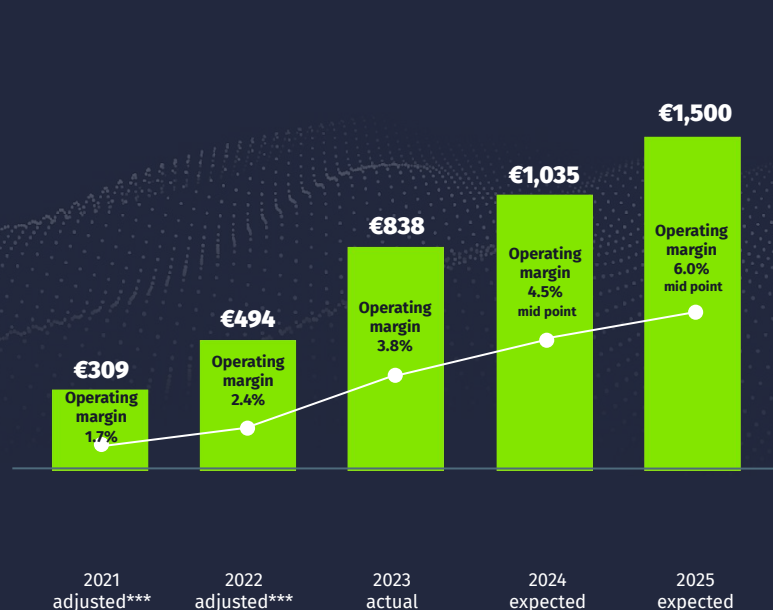
(a) H2 2024 margins and cash generation expected to be higher than H1 thanks to higher volumes and efficiency gains in H2

(b) For greater comfort, based on (i) LVP 3% below S&P Global mobility Production scenario released on February 16, 2024, (ii) stable Valeo sales in high-voltage over the period 2023/2025

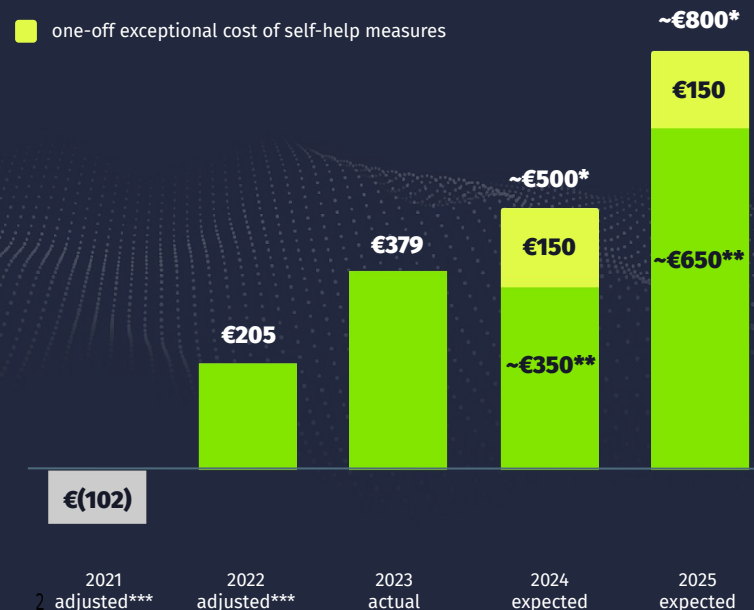
(c) This cost includes, but is not limited to, potential restructuring actions

Continuous improvement of profitability and free cash flow generation

Operating Margin in millions and as % of sales



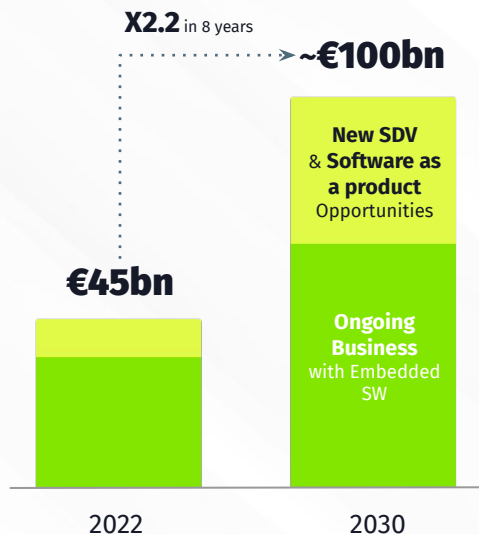
Free Cash Flow in millions



ADAS & SDV

Interior Experience

ADAS market



Acceleration of ADAS & SDV

- Powertrain and model agnostic
- ADAS & Ix represent half of 2023 Valeo's orders with greater embedded margins
- L2/L2+ market acceleration driven by regulations and feature adoption
- Key business partner of Mobileye and Qualcomm
- Several multi-billion SDV orders demonstrating Valeo's competitive advantage:



Reliable management of large contracts



Software credibility and offering

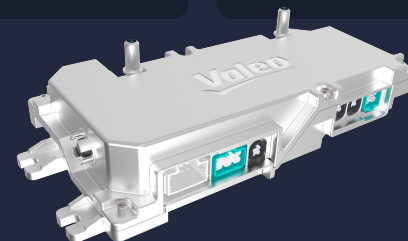


Thermal expertise



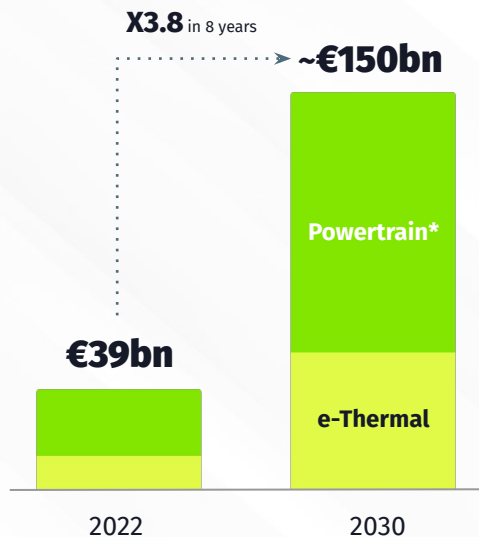
Top 5 auto electronic component buyer

- > Still increasing offer with software, Lidar gen3, high definition radar, thermal camera, etc.



Electrification

Electrification market



Electrification journey

-> High selectivity and monitoring, given market dynamics

-> VSeA integration was the right choice:



1 business unit including ICE and EV powertrain solutions



Operational flexibility and synergies

New project to combine Powertrain and Thermal in 1 business:

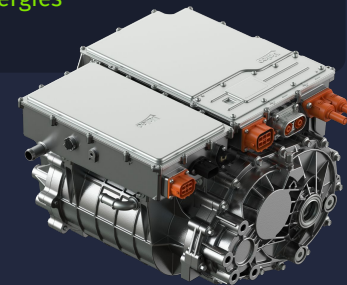


A comprehensive, coherent and competitive offering for electrification



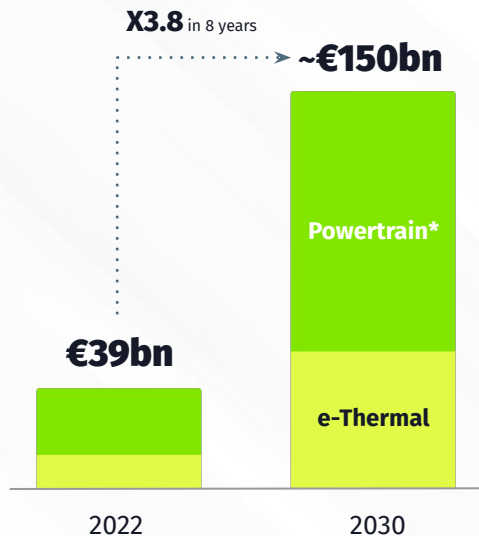
Additional synergies

-> High traction from hybrid and ICE products with high margin / low investments presenting a natural business and financial hedge in case of EV slowdown



Electrification

Electrification market



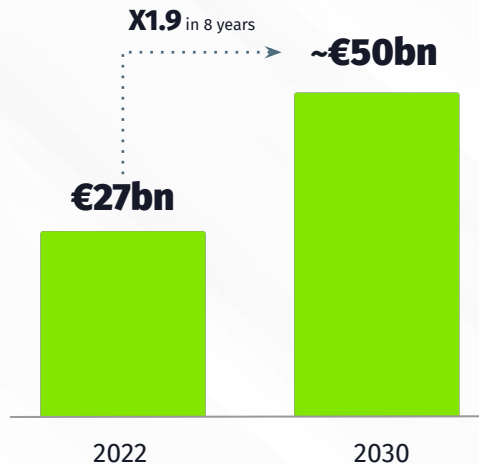
Combining Powertrain and Thermal Systems into 1 single business group to strengthen our product offering and drive synergies

Electrification is the future of both Powertrain & Thermal Systems

- 1. Optimisation of all components through system view**
- 2. Technological and product synergies**
Powertrain and thermal systems products are interdependent
- 3. Comprehensive, competitive and coherent offering**
driven by the project to create 1 single business group

Lighting

Lighting market



Lighting everywhere



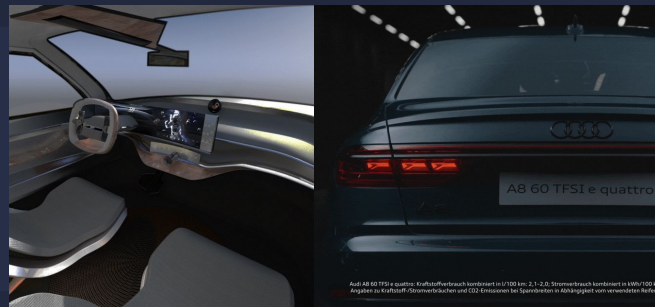
Lighting really is everywhere
Powertrain agnostic



Customers use Valeo's technology
to make cars more desirable
Lighting = Brand and model signature



Increased software and technology
content
High take rate for advanced lighting
solutions (pixel lighting)

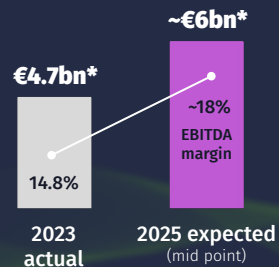


Performance driven by ADAS & lighting

Recovery expected in PTS & THS



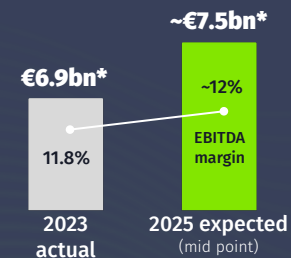
Comfort & Driving Assistance Systems (CDA)



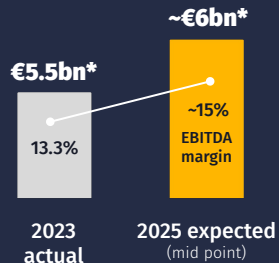
Project to combine PTS & THS within a single Business Unit



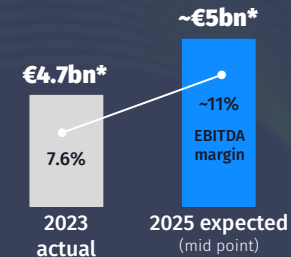
Powertrain Systems (PTS)



Visibility Systems (VIS)



Thermal Systems (THS)



04

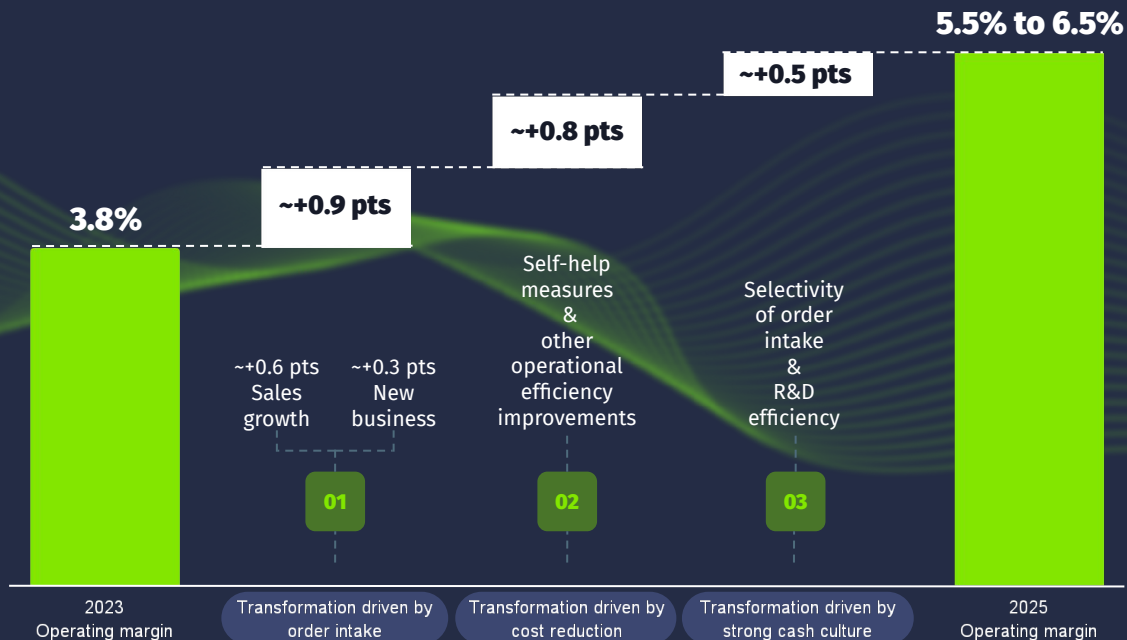
Financial roadmap to 2025 targets

Edouard de Pirey
Chief Financial Officer



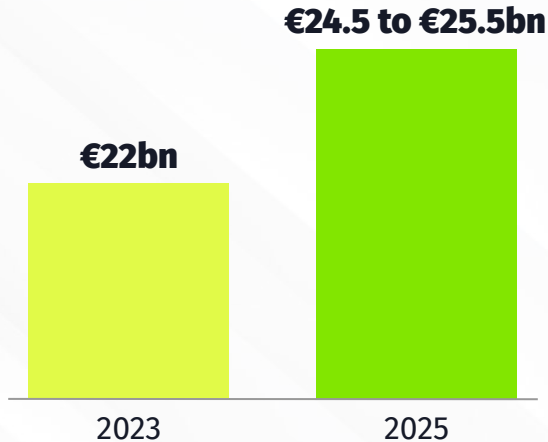
Levers to expand operating margin from 2023 to 2025

As a % of sales



Sales acceleration in 2025

Driven by significant step up in order intake



Acceleration in OEM sales

Step up (in €bn) in new orders

Strong acceleration in ADAS

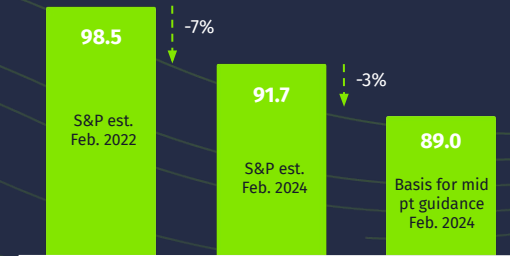
Transformation driven by order intake

1



Conservative assumptions for greater comfort

2025 light vehicle production (in million units)



Valeo's additional assumption:

→ Stable sales in high-voltage over the period 2023/2025



Acceleration in organic growth

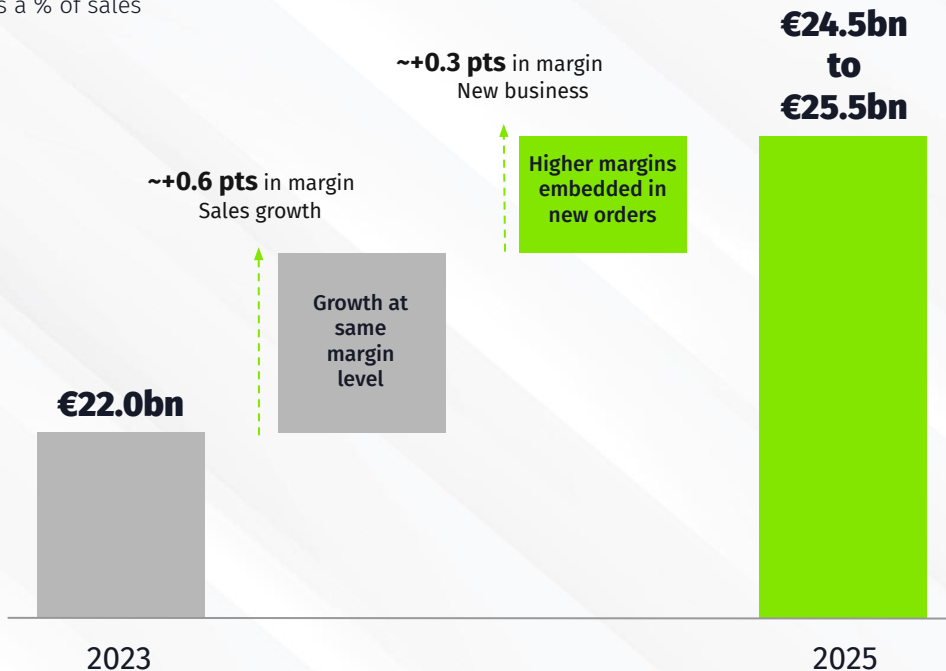
Driven by the strong increase in order intake

→ Growth in all regions incl. Europe

→ Capacities aligned with expected acceleration in growth

Transformation driven by sales growth & higher margins in new order intake

As a % of sales



Step up in order intake registered since 2022

- Higher growth in OEM sales from 2025
- Higher embedded margins than the 2025 targets

Ambitious cost reduction actions

Incl. merger between PTS and THS

Transformation driven by cost reduction **2**



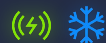
At Group Level

Cost base adjustment focused in 2024 & 2025

€300m in one-off exceptional self-help measures* over the 2-year period

Other operational efficiency improvements

Annual run rate savings **> €200m**
with positive impact starting in 2024



PTS and THS segments operational improvement

Project to merge into 1 single entity

Leaner & more efficient organization



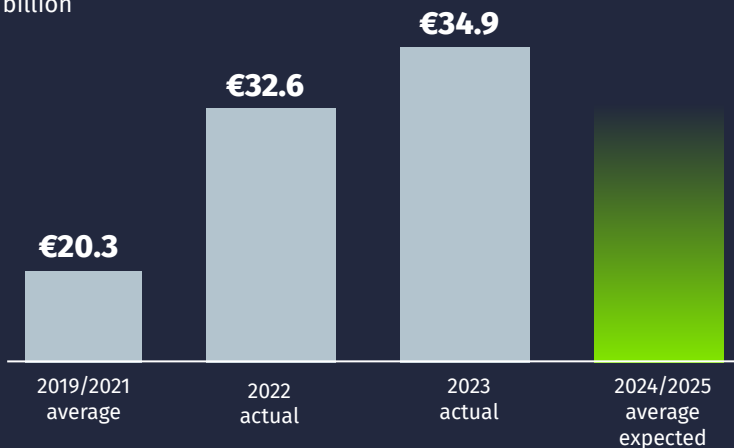
Selectivity of order intake for optimizing cash generation

Transformation driven by strong cash culture

3

Order intake

in billion



Valeo applies high selectivity on new orders

- Higher embedded margins
- Higher contribution from customers

Selectivity reducing the need for PP&E and R&D investments

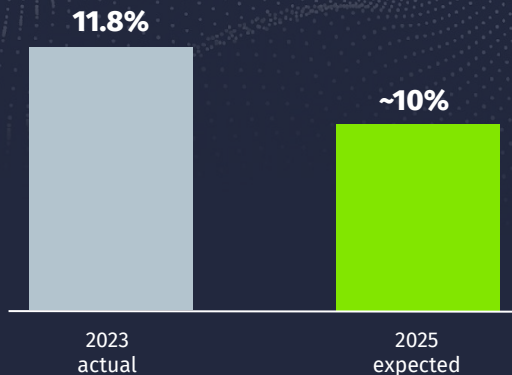
Acceleration of R&D efficiency

Transformation driven by strong cash culture

3

Gross R&D

as % of sales



Efficiency through

- Platforms, artificial intelligence and IS tools
- Hyper selectivity of new orders

R&D Capitalization IFRS impact

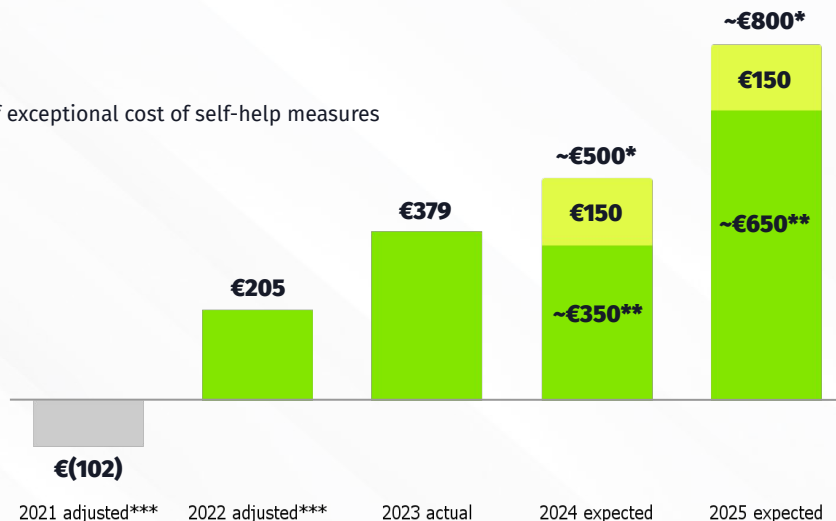
- 2024 impact at ~2.4 pts similar to H2 2023
- Reaching a peak in H1 2024 at ~2.8 pts
- Drop in 2025 by ~1 pt vs 2024

Increasing cash flow generation

Driven by higher contribution from EBITDA and strict control over PP&E and R&D

in millions

■ one-off exceptional cost of self-help measures



Leverage ratio
(reported)

1.3x

1.7x

1.5x

1.4x

1.0x

* FCF before one-off exceptional cost of self-help measures

** FCF after one-off exceptional cost of self-help measures

*** See glossary, page 54

Transformation driven by
strong cash culture

3

EBITDA 2025 expected

Higher profitability

~€3.5bn or ~14% of sales (mid point)

Capex (PP&E)

Under strict control

~5.5% of sales

Working capital

-> Further decrease in WC in 2024 driven by the decrease in inventories

-> More limited contribution expected in 2025

04

To conclude



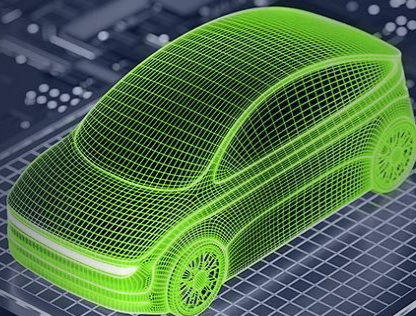
Clear strategy with clear priorities



More agile & competitive organization



Committed & focused teams



Sales

More than 11% in 2 years

to around €25bn in 2025 (mid point)

EBIT

More than 60% in 2 years

to around €1.5bn in 2025 (mid point)

FCF

More than 60% in 2 years

€800m in 2025
(before one-off exceptional self-help measures)

€650m in 2025
(after one-off exceptional self-help measures)

Thank you

Q&A

05

Backup slides



Continuous financial improvement since 2021

	FY 2021 adjusted*	FY 2022 adjusted*	S1 2023	S2 2023	FY 2023
Sales (in millions)	€18,014	€20,407	€11,212	€10,832	€22,044
EBITDA (as % of sales)	11.3%	11.4%	11.6%	12.0%	12.0%
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Free cash flow	€(102)m	€205m	€(156)m	€535m	€379m

05

Q4 total sales amounting to €5,615m, up 5%

Full Year sales by type

Total sales
€5,608m

incl. high-voltage powertrain

€378m

+9%

lfl growth

Year-on-year change: +5%

Lfl growth: +9%

Exchange rate: -4%

Scope: -%

OEM
€4,724m

+10%

lfl growth

Year-on-year change: +6%

Lfl growth: +10%

Exchange rate: -4%

Scope: -1%

Aftermarket
€531m

+2%

lfl growth

Year-on-year change: -2%

Lfl growth: +2%

Exchange rate: -3%

Scope: -1%

Miscellaneous
€353m

-%

lfl growth

Year-on-year change: -1%

Lfl growth: -%

Exchange rate: -4%

Scope: +4%

Q4 OEM sales

Performance* by region

World

Q4
Opts
 performance

+10%
 lfl growth



Europe
 (including Africa)

+3pts

+11%



**North
 America**

+4pts

+10%



Asia
 (excluding China)

+6pts

+9%



China

-10pts

+11%



**South
 America**

-3pts

-7%

Q4 sales by Business Group

Sales by Business Group (in millions of euros)	Q4 2022	Q4 2023	Change in sales	Change in OEM sales*	Perf.**
Comfort & Driving Assistance Systems***	1,156	1,166	1%	8%	-1pt
Powertrain Systems	1,560	1,746	12%	16%	+7pts
Thermal Systems	1,180	1,189	1%	5%	-4pts
Visibility Systems	1,402	1,445	3%	12%	+3pts
Other	61	62	3%	na	na
Total Group	5,359	5,608	5%	10%	+1pt

05

H2 total sales amounting to €10,832m, up 2%

Full Year sales by type

Total sales
€10,832m

incl. high-voltage powertrain

€xxxm

+7%

lfl growth

Year-on-year variation: +2%

Lfl growth: +7%

Exchange rate: -4%

Scope: -%

OEM
€9,157m

+7%

lfl growth

Year-on-year variation: +2%

Lfl growth: +7%

Exchange rate: -4%

Scope: -%

Aftermarket
€1,100m

+2%

lfl growth

Year-on-year variation: -1%

Lfl growth: +2%

Exchange rate: -3%

Scope: -1%

Miscellaneous
€575m

+6%

lfl growth

Year-on-year variation: +1%

Lfl growth: +6%

Exchange rate: -5%

Scope: +1%

H2 OEM sales

Performance* by region

World

H2

-1pt
performance

+10%
lfl growth



Europe
(including Africa)

-1pt

+7%



**North
America**

+2pts

+9%



Asia
(excluding China)

+7pts

+11%



China

-9pts

+3%



**South
America**

in line

-2%

H2 sales by Business Group

Sales by Business Group (in millions of euros)	H2 2022	H2 2023	Change in sales	Change in OEM sales*	Perf.**
Comfort & Driving Assistance Systems***	2,276	2,324	2%	8%	0pts
Powertrain Systems	3,140	3,294	5%	9%	+1pt
Thermal Systems	2,372	2,335	-2%	4%	-4pts
Visibility Systems	2,724	2,725	-	8%	0pts
Other	106	154	na	na	na
Total Group	10,618	10,832	2%	7%	-1pt

H2 income statement

(€m)	H2 2022	H2 2023	▲
Sales	10,618	10,832	+10%
Gross margin	1,858	2,039	+10%
<i>As a % of sales</i>	17.5%	18.8%	130 bps
R&D expenses	-987	-1029	+4%
<i>As a % of sales</i>	-9.3%	-9.5%	-20 bps
Administrative and selling expenses	-494	-535	+8%
<i>As a % of sales</i>	-4.7%	-4.9%	-20 bps
Operating margin	377	475	+26%
<i>As a % of sales</i>	3.6%	4.4%	80 bps
Earnings from JV & Associates	191	13	na
<i>As a % of sales</i>	1.8%	0.1%	-170 bps
Operating margin Including JV & Associates	568	488	-14%
<i>As a % of sales</i>	5.3%	4.5%	-80 bps
Other income expenses	-35	-93	+166%
<i>As a % of sales</i>	-0.3%	-0.9%	-60 bps
Operating income	533	395	-26%
<i>As a % of sales</i>	5.0%	3.6%	-140 bps
Interest expenses net	-81	-135	+67%
<i>As a % of sales</i>	-0.8%	-1.2%	-40 bps
Other financial expenses	-24	-23	na
<i>As a % of sales</i>	-0.2%	-0.2%	0 bps
Effective tax rate	-28%	-28%	na
Minority interest	-33	-45	+36%
Net income	278	102	-63%
<i>As a % of sales</i>	2.6%	0.9%	-170 bps

05

FY geographic positioning

OEM sales by production region (% of OEM sales)	FY 2022	FY 2023	▲
Western Europe	29%	30%	+1pt
North America	8%	6%	-2pts
Asia & emerging countries	63%	64%	+1pt
<i>Of which Asia excluding China</i>	15%	15%	<i>stable</i>
<i>Of which China</i>	18%	17%	<i>-1pt</i>
<i>Of which Eastern Europe</i>	16%	18%	<i>+2pts</i>
<i>Of which Mexico</i>	12%	12%	<i>stable</i>
<i>Of which South America</i>	2%	2%	<i>stable</i>
Total	100%	100%	



64%
of OEM sales

Exposure to Asian
& emerging markets

FY Segment information (reported basis)

Full-Year 2023 (€m)	CDA*	PTS	THS	VIS	Other	Total
Sales:	4,655	6,865	4,719	5,541	264	22,044
Segment (Excluding Group)	4,618	6,767	4,652	5,536	471	22,044
Intersegment (Group)	37	98	67	5	(207)	-
EBITDA	690	812	359	736	50	2,647
Research & Development expenditure, net	(712)	(585)	(310)	(396)	(26)	(2,029)
Investments in property, plant & equipment & intangible assets	881	395	320	563	54	2,213
Segment assets*	3,519	4,586	2,362	2,967	275	13,709

* The segment assets of the Thermal Systems Business do not include the amount of the assets of the commercial vehicle reclassified as assets held for sale at 31 December 2023.

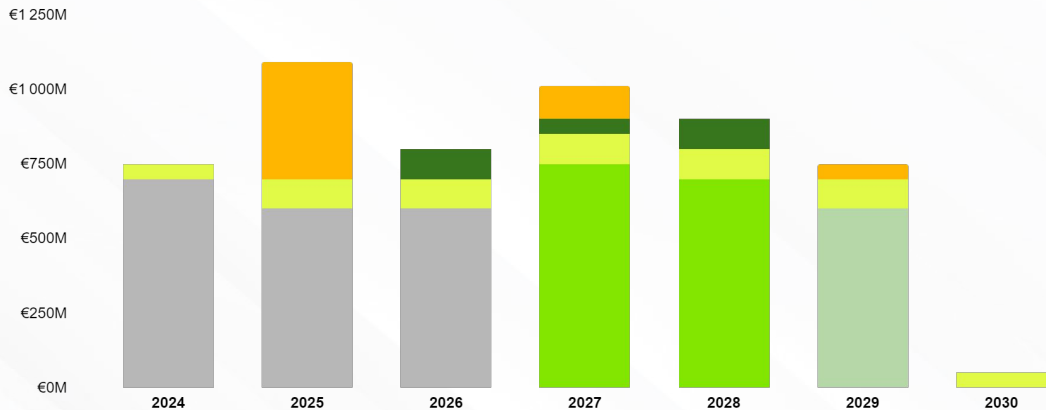
Full-Year 2022 (€m)	CDA*	PTS	THS	VIS	Other	Total
Sales:	4,234	5,689	4,543	5,363	208	20,037
Segment (Excluding Group)	4,192	5,574	4,463	5,331	477	20,037
Intersegment (Group)	42	115	80	32	(269)	-
EBITDA	671	619	333	705	73	2,401
Research & Development expenditure, net	(724)	(434)	(313)	(379)	(30)	(1,880)
Investments in property, plant & equipment & intangible assets	634	293	289	453	23	1,692
Segment assets**						

R&D expenses at 9.2% of sales

(€m)	2022 adjusted*	2023	▲
Gross Research and Development expenditure	-2,110	-2,607	23.6%
<i>As a % of sales</i>	-10.3%	-11.8%	-1.5bps
Capitalized development expenditure	660	995	50.8%
<i>As a % of sales</i>	3.2%	4.5%	+1.3bps
Amortization and impairment of capitalized development expenditure**	-639	-531	-16.9%
<i>As a % of sales</i>	-2.8%	-2.4%	+0.4bps
Subsidies and grants, and other income	118	114	-3.4%
Research & Development expenditure	-1,971	-2,029	2.9%
<i>As a % of sales</i>	-9.7%	-9.2%	+0.5bps
R&D sales (contributions received from customers)	538	534	-0.7%
Net Research & Development cost	-1,433	-1,495	4.3%
<i>As a % of sales</i>	-7.0%	-6.8%	+0.2bps

05 Debt profile

Average maturity: 3 years



Senior bond (EMTN)

Maturity	Amount	Coupon
January 2024	€700M	3.250%
June 2025	€600M	1.500%
March 2026	€600M	1.625%

Sustainability-linked senior bond (EMTN)

Maturity	Amount	Coupon
May 2027	€750m	5.375%
August 2028	€700M	1.000%

Bilateral bank loan

Maturity	Amount	Coupon
August 2026	€100m	E3M-1.25%
July 2027	€50m	E3M-2.00%
December 2028	€100m	E6M-1.95%

Schuldschein

Maturity	Amount	Coupon
April 2025	€90M	1.291%
April 2025	€122M	E6M+1.150%
October 2025	€30M	4.95%
October 2025	€149m	E6M+1.9%
October 2027	€30m	5.251%
October 2027	€82m	E6M+2.1%
October 2029	€5m	5.503%
October 2029	€45m	E6M+2.3%

EIB loan

Maturity	Amount	Coupon
Repayment from 2024 until June 2029	€300M	0.885%
Repayment from 2025 until Feb. 2030	€300M	1.083%

Green Bond

Maturity	Amount	Coupon
April 2029	€600m	5.875%

Undrawn credit facilities

€1.7BN

As of Dec. 31, 2023

Cash & cash equivalents

€3.0BN

As of Dec. 31, 2023

Green Bond

€600M

Nominal

5.5 years

Maturity

5.875%

Coupon

October 5, 2023

Signing date

Taxonomy figures illustrating Valeo's sustainable positioning

Preparing for the future by transiting towards net zero and circular economy

Electric Business



E-motor

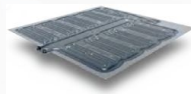


Power electronics

Thermal Business



Heat pump



Battery Thermal Management

Visibility Business



Matrix & pixel lighting



Illuminated LED grille

2023

	Turnover	Capex	Opex
Taxonomy-eligible portion*	21%	14%	19%
Taxonomy-alignment portion*	19%	13%	19%

* Categories of Valeo products concerned by the EU Taxonomy Delegated Act: 3.4, 3.6, 3.18, 6.5,7,7, 5.1,5.2 ; for more detailed information, see the 2023 URD, which will be available in French on March, 31 2024.

Performance

Well aligned with EU taxonomy thanks to Valeo's positioning in climate change

Alignment of almost 100% for each eligible indicator (sales, capital expenditure and operating expenditure), contributing to the objective of climate change mitigation.

2019-2025 ESG performance



E

		2019 base year	2023	2025e (change vs. 2019)
Emissions reduction (Scope 1, 2 & 3) - validated by SBTi	in Mt CO ₂ eq.	49.6	45.2	45.3 (-9%)
Energy consumption	in MWh/€m	142	133	134 (-6%)
Water consumption	in cu.m/€m	197	148	185 (-6%)
Production of hazardous and non-hazardous waste	in t/€m	16.4	12.7	15.0 (-9%)



S

Accident rate frequency (FR1)	No. of accidents with lost time per million hours worked	1.9	0.8	<1 ⁽³⁾
Gender equity index	100	82.0	88.9	90
Proportion of plants run by a local director	% of plants	78	77	> 80
Share of purchases for which the suppliers' sustainable development practices were assessed during the year	% of purchases (value)	80	85	82



G

Best practices in governance	separation of Chairman & CEO roles ⁽⁵⁾	~ ⁽⁴⁾	✓	✓
CSR criteria included in top management's and 1,700 key managers' compensation	included in variable and/or long-term compensation	~ ⁽⁶⁾	✓	✓
Board independence ⁽¹⁾	% of independent members	92	75	-
Board diversity ⁽²⁾	% of women	42	42	-

(1) In accordance with Article L.225-27-1, II of French Commercial Code.

(2) In accordance with the recommendation in Article 9.3 of the AFEP-MEDEF Code.

(3) The continuous improvement of FR1 since 2020 has encouraged the Group to adjust its 2025 target from <1.7 to <1.

(4) Lead Director position at Board level effective until January 2022.

(5) Separation of Chairman of the Board and CEO roles, announced in October 2020 and effective in January 2022.

(6) Not included in 1,700 key managers' compensation.

An ESG leader recognized by rating agencies

#1

S&P Global

68/100

#2



SUSTAINALYTICS

a Morningstar company

10.1*

low-risk

#1

ISS ESG ▶

ethix • climate • oekom

B- Prime

#1

A⁻ Climate Change

A Climate Water

#1

MSCI

ESG RATINGS

AAA

Top3

MOODY'S

63/100



Valeo is included in major
ESG indices



CAC40 ESG
CAC40 SBT 1.5°

STOXX

Global ESG
Leaders



FTSE4Good

MSCI

ESG Leaders

Share information

Share Data

Bloomberg Ticker	FR FP
Reuters Ticker	VLOF.PA
ISIN Number	FR0013176526
Shares outstanding as of Dec. 31, 2023	244,633,504

ADR Data

Ticker/trading symbol	VLEEY
CUSIP Number	919134304
Exchange	OTC
Ratio (ADR: ord)	1:2
Depository Bank	J.P. Morgan
Contact at J.P. Morgan – ADR	Jim Reeves
Broker relationship desk	+1 212-622-2710

Glossary

Order intake corresponds to business awarded by automakers during the period to Valeo, and to joint ventures and associates based on Valeo's share in net equity, (except Valeo Siemens eAutomotive, for which 100% of orders are taken into account), less any cancellations, based on Valeo's best reasonable estimates in terms of volumes, selling prices and project lifespans. Unaudited indicator.

Like for like (or LFL): the currency impact is calculated by multiplying sales for the current period by the exchange rate for the previous period. The Group structure impact is calculated by (i) eliminating, for the current period, sales of companies acquired during the period, (ii) adding to the previous period full-year sales of companies acquired in the previous period, and (iii) eliminating, for the current period and for the comparable period, sales of companies sold during the current or comparable period.

Adjusted data: For purposes of comparison with prior periods, this presentation has been prepared based on adjusted figures meaning: adding 100% of the former VSeA figures for 2021 and 2022 in the Valeo consolidated financial statements and removing the corresponding share in net earnings of the high-voltage Business.

Operating margin including share corresponds to operating income before other income and expenses and before net earnings of equity-accounted companies.

EBITDA corresponds to (i) operating margin before depreciation, amortization and impairment losses (included in the operating margin) and the impact of government subsidies and grants on non-current assets, and (ii) net dividends from equity-accounted companies.

Free cash flow corresponds to net cash from operating activities (excluding changes in non-recurring sales of receivables and net payments for the principal portion of lease liabilities) after taking into account acquisitions and disposals of property, plant and equipment and intangible assets.

Net cash flow corresponds to free cash flow less (i) cash flows in respect of investing activities, relating to acquisitions and disposals of investments and to changes in certain items shown in non-current financial assets, (ii) cash flows in respect of financing activities, relating to dividends paid, treasury share purchases and sales, interest paid and received, and acquisitions of equity interests without a change in control, and (iii) changes in non-recurring sales of receivables.

Net debt comprises all long-term debt, liabilities associated with put options granted to holders of non-controlling interests, short-term debt and bank overdrafts, less loans and other long-term financial assets, cash and cash equivalents and the fair value of derivative instruments hedging the foreign currency and interest rate risks associated with these items.

ROCE, or return on capital employed, corresponds to operating margin (including share in net earnings of equity-accounted companies) divided by capital employed (including investments in equity-accounted companies), excluding goodwill.

ROA, or return on assets, corresponds to operating income divided by capital employed (including investments in equity-accounted companies), including goodwill.

Safe harbour statement

Statements contained in this document, which are not historical fact, constitute “forward-looking statements”. These statements include projections and estimates and their underlying assumptions, statements regarding projects, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance. Even though Valeo’s Management feels that the forward-looking statements are reasonable as at the date of this document, investors are put on notice that the forward-looking statements are subject to numerous factors, risks and uncertainties that are difficult to predict and generally beyond Valeo’s control, which could cause actual results and events to differ materially from those expressed or projected in the forward-looking statements. Such factors include, among others, the Company’s ability to generate cost savings or manufacturing efficiencies to offset or exceed contractually or competitively required price reductions. The risks and uncertainties to which Valeo is exposed mainly comprise the risks resulting from the investigations currently being carried out by the antitrust authorities as identified in the Universal Registration Document, risks which relate to being a supplier in the automotive industry and to the development of new products and risks due to certain global and regional economic conditions. It is also exposed to environmental and industrial risks, risks related to the Group’s supply of electronic components and the rise in raw material prices, risks related to the Russia-Ukraine conflict, as well as risks and uncertainties described or identified in the public documents submitted by Valeo to the French financial markets authority (*Autorité des marchés financiers* – AMF), including those set out in the “Risk Factors” section of the 2022 Universal Registration Document registered with the AMF on March 30, 2023 (under number D.23-0200).

The Company assumes no responsibility for any analyses issued by analysts and any other information prepared by third parties which may be used in this document. Valeo does not intend or assume any obligation to review or to confirm the estimates issued by analysts or to update any forward-looking statements to reflect events or circumstances which occur subsequent to the date of this document.

Valeo

SMART TECHNOLOGY
FOR SMARTER MOBILITY

