



THE INDUSTRIALIST

AUDIO TRANSCRIPT

Jean-Nicolas Brun: Hello I am Jean-Nicolas Brun, managing director at Accenture and global lead of industrial supply industry. And I have the pleasure to welcome Yann Brillat-Savarin, the Chief Strategy and sustainability officer at FORVIA. Good morning Yann.

Yann Brillat-Savarin: Hello. Good morning Jean-Nicolas Good morning.

Jean-Nicolas Brun: Could you introduce FORVIA in a minute?

Yann Brillat-Savarin: FORVIA is a global leader in automotive technologies with all what is needed to be successful and to address the challenges, we have, I think, the right portfolio. We have the right size. We have strong focus on sustainability, FORVIA it's one vehicle out of two in the world which is equipped with our product. It's more than 80 customers worldwide in all geographics. It's close to 80 R&D centers, 300 sites, 42 countries, 150,000 employees. So that gives you an idea of the strengths of FORVIA which is a combination of a frank French player Faurecia and German player HELLA.

Jean-Nicolas Brun: You are the chief strategy and sustainability officer at FORVIA. So, can you tell us more about your journey and your job?

Yann Brillat-Savarin: Yeah. Well, the common point between my journey and my own is that both are very exciting. My journey is a mix

, you know, in between operation and strategy. So, I graduated from an engineering school and then a business school. In terms of career path. I started on the shop floor at Michelin for using tires, and then I moved to BCG as a consultant on strategy.

I joined Faurecia in the Clean Mobility Business Group. And then almost four years ago now I've joined Faurecia in charge of strategy and sustainability. This position includes corporate strategy, M&A, sustainable transformation, the supervision of India and R&D efficiency. So, you see it's a good scope which is very exciting. And you know, it was particularly exciting to be in charge of M&A for the acquisition of HELLA last year.

Jean-Nicolas Brun: If I could click on this strategy big picture. The acquisition of HELLA by Faurecia was really big news last summer and it is still in the sector. Could you tell us what those synergies will be bringing to the market and to FORVIA for the future?

Yann Brillat-Savarin: Well, first, the acquisition of HELLA is a major step forward in our ambition to become a global technology leader in the automotive field. And now with this move, we have created the seventh largest automotive supplier and this combined group is very well positioned to be a global leader in technology and



sustainable mobility. We have recently unveiled our mission statement, which is we pioneer technology for mobility experiences that matter to people. And I think that definitely the strength of our portfolio is perfectly aligned with this mission. We have at the beginning of the month make official the ambitions of our Power 25 plan, and we are focusing on three key strategic priorities with clear targets. The first one is about sales growth. The second one, profitability, and the third one, cash flow.

I mentioned the three strategic pillars of our Power 25 plan, but I don't want to forget in parallel that we have the ambition to be a pioneer in terms of sustainability. We are the first well committed company with a net zero target approved by SBTi Science based Targets Initiative and now with together Faurecia and HELLA. We want to reach net zero emissions by 2045, and this is definitely a very ambitious roadmap that we want to deploy in the coming years.

Jean-Nicolas Brun: What is the business growth strategy cultural behind ESG for FORVIA and how does it advance its business model?

Yann Brillat-Savarin: Yeah. First, it's about convictions. What we defined a few years ago, our six convictions. Companies must have a positive, impact on society. And so this is why we have launched this ambitious CO2 neutrality and ESG roadmap two years and a half ago. And we believe that we have to contribute actively to the sustainability of our world.

If you look at energy, very concrete example, you see that all the energy efficiency measures that we launched two years ago, they proved very relevant in the current context of energy inflation. Right. If you also use recycled materials, it is not more expensive. If fewer use less material for the same product, it's not more expensive. It's a win-win. So, I would not oppose business and sustainability. We believe that we have to be able to need both in parallel.

Jean-Nicolas Brun: From your perspective, what

does your company so far here do to adjust its product and service portfolio consequently along the systems criteria to reduce the scope one, two and three emission and thus help your clients to become more sustainable too? Because that's a win-win and I would say a mandatory global and collective effort.

Yann Brillat-Savarin: Yeah. So first, do we have other solutions? No. That's important to underline it. So, our recipe is very simple terms of principles. It relies on three pillars use less, use better, use longer. Use less, it means less energy, less raw material, more frugality, more software, maybe instead of for material. Use, better, it's about green energy or green materials, low CO2 or even negative CO2 materials. And use longer, it's about circular economy and multiple lives and that requires a lot of technology.

There are some very low-hanging fruits like switching off the machines when they are not operating. That represents, on average at Faurecia 14% of savings. So, it's significant and up to 24% in that in certain sites. All right. So that's an easy one, or reducing the descent set point for the heating by one degree. You win 7% of CO2 emissions.

We're talking about 1.3 million square meters with solar panels by the end of next year. So, it's really, it's really an impressive number. And that would represent more than 7% of energy consumption covered by internal solar panel production.

And now progressively we are extending the range of products and you have millions of vehicles equipped today with that type of material. So, it works, right? It works and it's competitive. We have created a subsidiary called Materi'act dedicated to Sustainable Materials because we want to accelerate on those and those actions.

Jean-Nicolas Brun: What do you see as the biggest challenges for your company and the industry to manage this transition towards a



more environmentally friendly products and services portfolio and net zero overall?

Yann Brillat-Savarin: One big challenge, I think, is the availability of resources to go at the speed we want. When we want to develop a global plan with all in all sites, in all locations at the same speed. We see that the bottleneck is the availability of sources of external sources of equipment, and it is same for materials.

We want to be a pioneer because we believe that there will be several bottlenecks in this hold toward the carbon neutrality. I could also mention the offsite. Many companies want to get access to green energy and there are not enough projects to allow everybody to go at the same speed.

Jean-Nicolas Brun: You are an industrialist, a chief strategist and sustainability officer. And then, of course, I have to ask you this question. The mobility industry is experiencing changes not seen in over a century. What's your perspective of the future of suppliers in this vortex of change?

Yann Brillat-Savarin: Yeah. I like. I like the word vortex. That's exactly what we're experiencing. We are in the eye of the hurricane, both with short term headwinds, inflation, energy crises, chip shortages, rising interest rates, you name it, but also long-term transformation trends. I mentioned the automotive trends, electrification, automated driving connectivity, new mobility patterns that continue there as well. Global megatrends that impact us. Climate change, rising agents. So, we have to transform ourselves.

FORVIA is well-positioned to address those challenges with a technology portfolio that offers significant growth potential in electronic software and new materials, but also the critical size to invest into and to remain at the forefront of this technology. Now, having said that, I believe that the vortex of change may be different for our customers, for the OEMs, because they will have as well to switch from the traditional IC engine to

do electrification.

So, the challenges are not only for the suppliers but as well for audience and the signal maybe attention, point or order that we need to think to the value chain and to all the different steps on the value chain.

Jean-Nicolas Brun: What inspires you the most?

Yann Brillat-Savarin: Ultimately my family, my wife, my children. From a personal point of view, yeah, people do inspire me more than ideas, maybe from a professional point of view. I would say that. Contributing to improving the world from the energy point of view is key for me and that's very inspiring. When I see that I can have all my work and the work of the team has an impact on the world, on the society. That's for me very inspiring. Yeah.

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