



Barclays Global Automotive and Mobility Tech Conference

November 30, 2023





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In addition, this document includes certain projections provided by Adient with respect to the anticipated future performance of Adient’s businesses. Such projections reflect various assumptions of Adient’s management concerning the future performance of Adient’s businesses, which may or may not prove to be correct. The actual results may vary from the anticipated results and such variations may be material. Adient does not undertake any obligation to update the projections to reflect events or circumstances or changes in expectations after the date of this document or to reflect the occurrence of subsequent events. No representations or warranties are made as to the accuracy or reasonableness of such assumptions, or the projections based thereon.


This document also contains non-GAAP financial information because Adient’s management believes it may assist investors in evaluating Adient’s on-going operations. Adient believes these non-GAAP disclosures provide important supplemental information to management and investors regarding financial and business trends relating to Adient’s financial condition and results of operations. Investors should not consider these non-GAAP measures as alternatives to the related GAAP measures. A reconciliation of non-GAAP measures to their closest GAAP equivalent are included in the appendix. Reconciliations of non-GAAP measures related to FY2024 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations.


Navigating shifting industry dynamics through focused strategy



 **Leading supplier focused on automotive seating**

 **Strengthening our leading position**

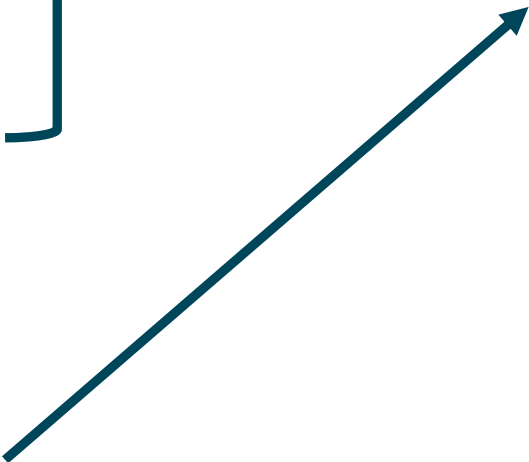
 **Creating a sustainable future together**

 **Driving operational and financial improvements**

+

 **Embracing and leveraging a shift in industry dynamics**

These enabled strong business and financial performance in **FY23**



- > In **FY24** and beyond, Adient will adapt to an auto industry that is evolving around the balance and timing of EV transition
- > Influences driving this evolution include:
 - > Pricing and affordability of EVs (vs. ICE) among factors influencing pace of adoption
 - > Traditional OEM re-timing EV launches to align with demand
 - > Expected growth and influence of the Chinese domestic auto manufacturers
 - > Yesterday's winners are not necessarily tomorrow's winners
 - > New China platforms have "leapfrogged" traditional vehicles in innovation and cost as well as perception
 - > Access to technology and innovation – global partnerships vs. in-house capabilities
 - > Cost matters: Need to compete in a cost-driven market that is embracing agility and cost efficiency

Adient's position as a leading seat supplier enables the company to advance technology across customers while driving costs down

Simplified seat systems enable process improvements

 JD Power Results

 Market Research

 VAVE Workshops

 Innovation Portfolio

 Warranty Analysis

 Benchmarking

 IIHS Rating



ES³: Evolution of Seating Systems Sustainability

- > Brings expertise and relevant data to our customers to improve their content and sourcing decisions and increase Adient’s overall value-add
- > By driving better design decisions, including de-proliferation of part numbers, process improvements like modular assembly and long distance JIT are made possible



Favorable trends suggest seating content growth will continue

- > Historically, Adient sales have outpaced global vehicle production growth by about ~150 bps ¹
- > Key factors driving outperformance in recent quarters are largely attributed to customer/product mix, new business wins in China where significant vertical integration -- including JIT, foam, trim, and safety features -- is captured
- > Longer-term, as Advanced Driver Assist Systems (ADAS) and Comfort features become more prevalent, seating content is expected to grow faster than vehicle production as OEMs adopt these innovative new interior configurations and features
- > The question of increased revenue is moving from “if” to “when” it will be realized

Favorable trends in China today that are expected to cascade into other regions

- > China is bringing a concept to the market of what a vehicle could be that is very different from traditional OEMs -- with focus on electronic functionality, ADAS, and interior configuration around creature comfort
- > Adient's industry leading zero gravity seat, built to balance the ultimate in comfort with safety in mind, is an example of the kind of innovation that these new players are generating
- > Adient's leading position in China allows us to leverage its technology across geographies
- > Execution matters -- our customers cannot afford bad launches, especially in the emerging stages of brand reputation building

1 - Management estimates of outperformance in FY21-FY23 based on third party production volume estimates



- > Continuous improvement and system optimization are engrained in Adient's day-to-day processes, driving improved business performance
 - > Legacy footprint and sub-assembly processes are continuously revised to optimize the overall assembly process
 - > Long distance JIT leverages low-cost production footprint to further optimize assembly while minimizing capital spending requirements
 - > Engineering commonality drives reduced costs, improved speed
- > Value stream mapping drives continued evolution to capture the benefits of reduced labor costs, improved freight and logistics, capital and engineering re-use, and content simplification



Business performance is driven by continuous improvement workstreams driving value to Adient and its customers today

Modular seat assembly leverages Adient's vertical integration



Historical assembly process

Seat back frame, cushion pan and components (including wire harness, motors, memory modules, fasteners) were shipped to JIT assembly individually

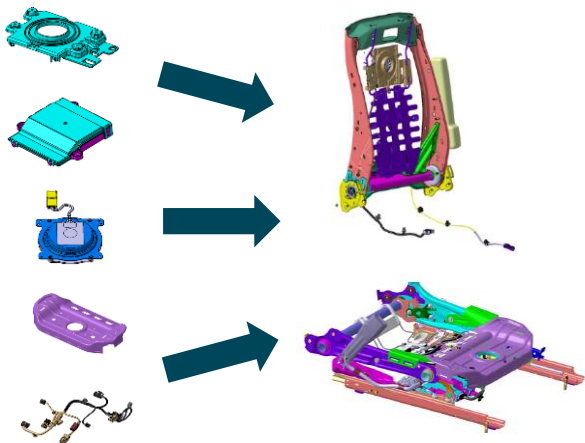


Adient's global metals capabilities enable streamlined cost and processes vs. traditional assembly



Integrated & Optimized Modular Assembly

Adient Partner Components shipped to metals stamping facility and assembled using low-cost labor



Adient Back Frame Assembly Module

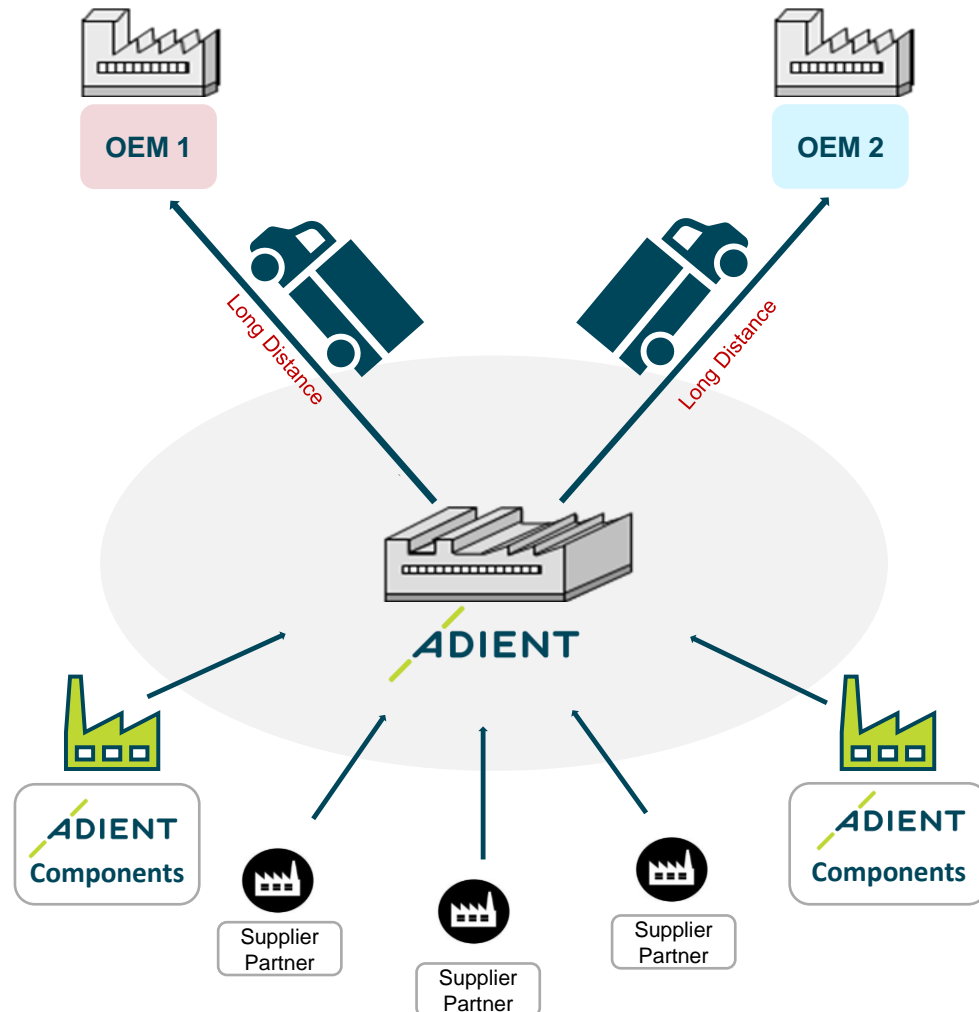
Adient Cushion Assembly Module

JIT assembly facility receives fully assembled seat cushion and back frame modules, minimizing JIT labor utilized on module assembly



- > **30% reduction** in *Complete Direct* JIT Front Row Labor
- > Inventory optimized
- > **In production in FY24**

Long distance JIT goes further in driving efficiencies

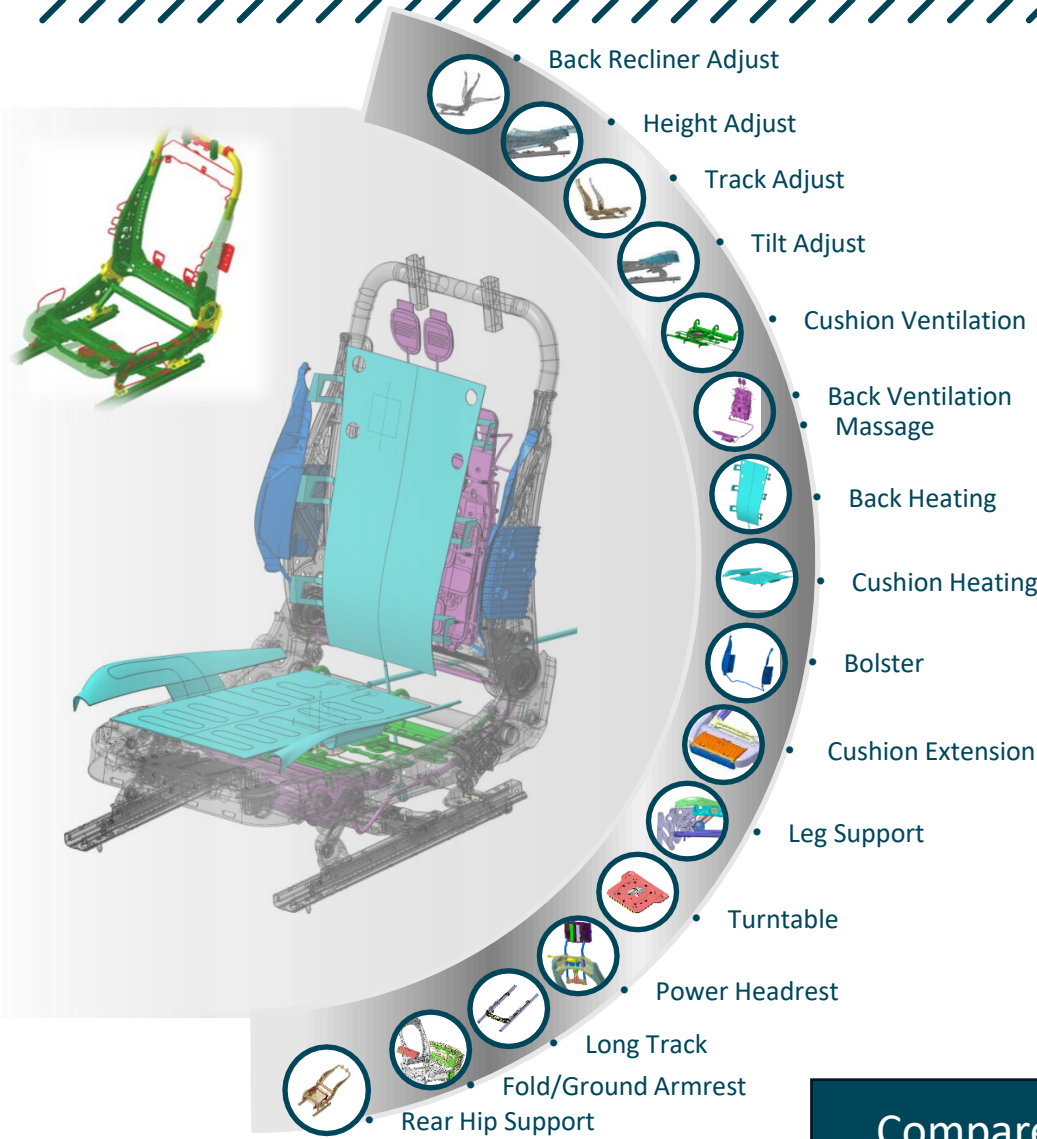


Using long distance JIT, Adient leverages existing footprint to efficiently build complete seat systems and deliver to sequencing centers closely located to our OEM customers

- > Complete seat JIT assembly takes place in existing cost-effective footprint
- > Fully assembled seat systems are moved to a sequencing center near or collocated with the customer
- > Seats are delivered to the customer on time and in sequence

- > Long distance JIT leverages cost effective labor for complete seat assembly - **up to 30% lower** direct labor cost
- > Flexible solution that allows Adient to **service multiple customers** efficiently without dedicating significant footprint to a single program
- > Restructuring costs are minimized when JIT programs build out or are not renewed
- > Multiple programs with multiple customers in EMEA and Asia **currently in production with long distance JIT**

Common structure design reuse is fast, effective, practical



- > C-Platform is a design owned by Adient that can be used with multiple customers, with value shared by the OEM and Adient
 - > **Improved development timing** -- a significant value driver with NEV customers
 - > **Reduced development cost**
 - > **Validated, predictable performance**
 - > **Reduced tooling needs and capital spending**

Engineering re-use of parts in select Adient designed platforms

In production today	In Production	OEM	Re-use %	In Development	OEM	Re-use %
	Platform A	OEM 1	55.1%	Platform D	OEM 1	100%
	Platform B	OEM 2	61.1%	Platform E	OEM 3	54.6%
	Platform C	OEM 3	69.5%	Platform F	OEM 4	61.7%

Compared to typical re-use between 0 to 35% on new, non-modular platforms¹