

Risk Factors Comparison 2024-11-18 to 2023-11-17 Form: 10-K

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The following discussion of risk factors contains forward- looking statements. These risk factors may be important to understanding other statements in this Form 10- K. The following information should be read in conjunction with Part II, Item 7, " Management' s Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes in Part II, Item 8, " Financial Statements and Supplementary Data" of this Form 10- K. The business, financial condition and operating results of Adient can be affected by a number of factors, whether currently known or unknown, including but not limited to those described below, any one or more of which could, directly or indirectly, cause Adient' s actual financial condition and operating results to vary materially from past, or from anticipated future, financial condition and operating results. Any of these factors, in whole or in part, could materially and adversely affect Adient' s business, financial condition, operating results and stock price. Because of the following factors, as well as other factors affecting Adient' s financial condition and operating results, past financial performance should not be considered to be a reliable indicator of future performance, and investors should not use historical trends to anticipate results or trends in future periods. Risks Related to Adient' s Global Business General economic, credit, capital market and global political conditions could adversely affect Adient' s financial performance, Adient' s ability to grow or sustain its businesses and Adient' s ability to access the capital markets. Adient competes around the world in various geographic regions and product markets. Global economic conditions, including **global demand for new vehicles, new vehicle affordability,** supply chain disruptions, inflationary concerns and labor availability, affect Adient' s business. As discussed in greater detail below, any future distress in the industries and / or markets where Adient competes could negatively affect Adient' s revenues and financial performance in future periods, result in future restructuring charges, and adversely impact Adient' s ability to grow or sustain its businesses. The global automotive industry has **recently experienced uncertainties due to changing macroeconomic conditions. Weakening consumer demand, impacted by new vehicle affordability and a high interest rate environment, among other factors, has resulted in lower automotive production volumes. The global adoption of electric vehicles by consumers has also slowed, creating disruptions in production scheduling. More specifically, the EMEA region is faced with overcapacity issues due to lower production volumes and resulting in pricing pressures. The EMEA region is also faced with intensifying competition from Chinese imports and lower exports to China as domestic brands expand in China. Adient strives to offset the impact of lower production volumes through improved operational performance, including commercial negotiations with Adient' s customers and vendors and through other operational improvements that Adient can influence, however there is no guarantee that Adient will be able to sufficiently offset the impact of lower production volumes or to avoid more significant restructuring actions. The global automotive industry has also** experienced significant volatility ~~over in the past due few years relative~~ to supply chain disruptions, inflationary pressures, labor shortages, geopolitical uncertainties, ~~higher~~ **high** interest rates and foreign currency fluctuations. Although Adient' s seating products have not typically been dependent directly on the components causing the supply chain disruptions, Adient has been directly impacted by lower production levels at the OEMs as a direct result of these disruptions. These disruptions have moderated in fiscal **2023-2024**, but supply chains remain fragile and **,** in the past have led to unplanned downtime at Adient' s production facilities, often with very little warning, which created operating inefficiencies and limited Adient' s ability to adequately mitigate such inefficiencies. The automotive industry has also experienced a period of significant price volatility (generally resulting in an increase in commodities, energy costs, freight costs, labor costs and other input costs), as well as encountering an environment of unfavorable foreign currency exposures and rising interest rates. While some of these input cost increases have moderated in fiscal **2023-2024**, other exposures will likely continue into fiscal **2024-2025** and perhaps further into the future. This environment of significant price volatility has resulted in, and may continue to result in, increased costs for Adient that may not be, or may only be partially, offset. Adient also experienced constrained labor availability which has resulted in wage inflationary pressures, both internally and at key vendors. Adient continues to assess any impact labor shortages and wage inflation might have on Adient' s ability to perform its obligations. Although Adient has developed and implemented strategies to mitigate the impact of supply chain disruptions along with the impact of higher input and other costs, these strategies, together with commercial negotiations with Adient' s customers and suppliers, typically offset only a portion (less than 100 %) of the adverse impact. Additionally, Adient' s operating model requires long lead times between the design and development of products and the launch of production. This lead time requires Adient to secure vendor supply well in advance to minimize launch and production inefficiencies. During such lead times, price commitments are subject to change and could lead to an inability of Adient to fully recover all such price changes. **Adient plc | Form 10- K | 13** The capital and credit markets provide Adient with liquidity to operate and grow its business beyond the liquidity that operating cash flows provide. A worldwide economic downturn and / or disruption of the credit markets likely would reduce Adient' s access to capital necessary for its operations and executing its strategic plan. Adient' s ability to borrow against the ABL Credit Facility is limited to its borrowing base, which consists primarily of accounts receivable, inventory and certain cash account balances. Such working capital account balances fluctuate significantly depending on production levels and operating activities. If Adient' s access to capital were to become constrained significantly, or if costs of capital increased significantly, due to lowered credit ratings, prevailing industry conditions, the volatility of the capital markets or other factors, Adient' s financial condition, results of operations and cash flows likely would be adversely affected. ~~Adient plc | Form 10- K | 14~~ Unfavorable changes in the condition of the global automotive industry and the condition of individual automakers may adversely affect Adient' s results of operations. Adient' s

financial performance depends, in part, on conditions in the automotive industry. Automotive production and sales are highly cyclical and depend on general economic conditions and other factors, including consumer spending and preferences. Automakers may experience a decline in the number of new vehicle sales, whether as a result of economic decline, ~~ongoing~~ supply chain disruptions and labor shortages, increasing consumer borrowing rates or for various other reasons. Automakers may also become less cost competitive due to rising input costs, such as labor or raw materials, and thereby experience a loss of demand for their products as consumers shift to lower cost options. As a result, Adient may experience reductions in orders from these customers, incur write-offs of accounts receivable, incur impairment charges or require additional restructuring actions beyond its current restructuring plans, particularly if any of the automakers cannot adequately fund their operations or experience financial distress. Such adverse changes likely would have a negative impact on Adient's business, financial condition or results of operations. In addition, Adient relies in part on its customers' forecasting of their expected needs, which forecasts can change rapidly and may not be accurate. Any inaccurate forecast data received by customers could also have an adverse impact on Adient's results of operations. **As a result of macroeconomic factors impacting Adient and the automotive industry, a heightened risk of impairment exists for the EMEA reporting unit as the difference between its fair value and carrying value is less than 10 % as of September 30, 2024. The decrease in EMEA's fair value is driven by lower forecasted vehicle volumes from weakening consumer demand, slower consumer adoption of electric vehicles, overcapacity in the industry resulting in pricing pressure, intensifying competition from Chinese imports and lower exports to China from EMEA as domestic brands expand in China. As a result of the heightened risk of impairment, Adient will continuously assess the changing macroeconomic conditions in EMEA including the outlook for consumer demand for vehicles and other factors impacting the region, along with the need for further restructuring actions, all of which impact Adient's ability to achieve its projected long-term operating performance. Refer to Note 6, "Goodwill and Other Intangible Assets," of the notes to the consolidated financial statements for additional information.** Risks associated with joint venture partnerships may adversely affect Adient's business and financial results. Adient has several joint ventures worldwide and may enter into additional joint ventures in the future. Adient's joint venture partners may at any time have economic, business or legal interests or goals that are inconsistent with Adient's goals or with the goals of the joint venture which could lead to, among other things, dissolution, liquidation and / or modification of the joint venture terms. Adient may compete against its joint venture partners in certain of its markets and certain negotiations with its customers may negatively impact its joint venture business with those same customers. Disagreements with Adient's business partners may impede Adient's ability to maximize the benefits of its partnerships and / or may consume management time and other resources to negotiate, and which could lead to, among other things, dissolution, liquidation and / or modification of the joint venture terms. Adient's joint venture arrangements may require Adient, among other matters, to pay certain costs or to make certain capital investments or to seek its joint venture partner's consent to take certain actions. Adient does not control the ability to collect cash dividends from its non-consolidated joint ventures. In addition, Adient does not control the financial reporting of its non-consolidated joint ventures, which may impact its ability to complete its financial statements in a timely or accurate manner. Delays in the collection of dividends, even by a few days, could adversely affect Adient's financial position and cash flows. Adient's joint venture partners may be unable or unwilling to meet their economic or other obligations under the operative documents, and Adient may be required to either fulfill those obligations alone to ensure the ongoing success of a joint venture or to dissolve and liquidate a joint venture. Further, joint venture partnerships are subject to renewal or expiration at various times. The failure to renew or extend the terms of Adient's joint venture partnerships could impact other areas of Adient's business, including its business relationships. The above risks, if realized, could result in a material adverse effect on Adient's business and financial results. Furthermore, non-consolidated joint ventures present various risks, including the risk that Adient may be slower or less able to identify or react to problems affecting its non-consolidated joint ventures than Adient would for a wholly-owned subsidiary or consolidated joint venture. In addition, these arrangements may cause Adient to be slower to detect compliance related **Adient plc | Form 10-K | 14** problems and make its design of effective internal controls more challenging. Each of these challenges may be more costly to implement, and the risk of failure potentially higher, than would be the case in a more centralized structure. Depending on the nature of the problems, the failure to identify, detect or react could materially adversely affect Adient's business, financial condition or results of operations. Risks associated with Adient's non-U.S. operations could adversely affect Adient's business, financial condition and results of operations. Adient has significant operations in a number of countries outside the U.S., some of which are located in emerging markets. Long-term economic or political uncertainty in some of the regions of the world in which Adient operates, such as Asia, South America and Europe and other emerging markets, could result in the disruption of markets and negatively affect cash flows from Adient's operations to cover its capital needs and debt service requirements. In addition, as a result of Adient's global presence, a significant portion of its revenues and expenses is denominated in currencies other than the U.S. ~~dollar~~ **Dollar**. Adient is therefore subject to foreign currency risks and foreign exchange exposure. While Adient employs financial instruments to hedge some of its transactional foreign exchange exposure, these activities do not insulate Adient completely from those exposures. Exchange rates can be volatile and could adversely impact Adient's financial results and the comparability of results from period to period. ~~Our~~ **Adient's** use of financial instruments to limit this risk is guided by strict policies and processes and the success of ~~our~~ **Adient's** hedging programs depends primarily on the performance of the business in ~~Adient plc | Form 10-K | 15~~ comparison with ~~our~~ **Adient's** forecasted sales proceeds and costs. If ~~the we incorrectly forecast these and other related factors~~ **are incorrect**, the transactions ~~we have~~ entered into may have an adverse impact on ~~our~~ **Adient's** financial results. No assurance can be given that ~~our~~ judgment in this respect will be correct. There are other risks that are inherent in Adient's non-U.S. operations, including the potential for changes in socioeconomic conditions, laws and regulations, including sanctions, import, export, direct and indirect taxes, value-added taxes, labor and environmental laws, and monetary and fiscal policies; protectionist measures that may prohibit acquisitions or joint ventures, or impact trade volumes; unsettled political conditions or instability; government-imposed plant

or other operational shutdowns; backlash from foreign labor organizations related to Adient's restructuring actions; asset freezes and seizures; corruption; natural and man-made disasters; global health epidemics (such as COVID-19); hazards and losses; armed conflict, territorial disputes or acts of aggression in Asia, South America, Europe or otherwise; violence, civil and labor unrest; and possible terrorist attacks. ~~On December 30, 2020, the U. K. completed its withdrawal from the European Union and entered into an agreement regarding their future relationship, the Trade and Cooperation Agreement, which was ratified by the parties and entered into full force on May 1, 2021. However, certain economic uncertainties remain in connection with the future of the U. K. and its relationship with the European Union. These uncertainties have caused and may continue to cause disruptions to capital and currency markets worldwide as well as cause disruptions on Adient's operations.~~ Russia's invasion of Ukraine in February 2022 resulted in significant uncertainty and instability in global supply chains and availability of certain commodities and raw materials. Although Adient has no operations in Ukraine and its operation in Russia has since been disposed, certain of its suppliers as well as customers depend on commodities and other material supplies that originate in Ukraine or Russia. In response to Russia's invasion in Ukraine, a number of countries, including the United States, the United Kingdom and members of the European Union, have implemented economic sanctions on Russia and certain Russian enterprises including several large banks. The conflict also led to increases in the cost of energy and the potential for energy shortages, especially in Europe. ~~If Although the impact of this conflict has moderated in fiscal 2023, if~~ the conflict continues or expands, it may trigger a series of additional economic and other sanctions which in turn could further disrupt the global automotive supply chains by limiting supplies of key components and increasing inflationary pressures. This ongoing conflict, along with other geopolitical uncertainties such as the current conflict in the Middle East, could have broader adverse impacts on macroeconomic factors that impact Adient's business, cash flows, financial condition and results of operations. Adient's business in China is subject to aggressive competition and is sensitive to economic and market conditions. Maintaining a strong position in the Chinese market is a key component of Adient's strategy. Adient's business in China is conducted through both consolidated subsidiaries and nonconsolidated joint ventures. The automotive supply market in China is highly competitive, with competition from many of the largest global manufacturers and numerous smaller domestic manufacturers. As the size of the Chinese market evolves and as Chinese OEMs penetrate other markets around the globe, often with lower-cost products, Adient anticipates that market participants will act aggressively to increase or maintain their market share. Increased competition may result in price reductions, reduced margins and Adient's inability to gain or hold market share. In addition to the risks imposed by U. S. economic trade policy discussed further below, Adient's business in China is sensitive to economic, political and market conditions that drive automotive sales volumes in China. If Adient is unable to maintain its position in the Chinese market, or if vehicle sales in China decrease or do not continue to increase, then Adient's business and financial results may be adversely affected. **Also, if Chinese OEMs continue to expand into other markets and regions, Adient's business and financial results may be adversely affected if Adient does not have the same level of content on Chinese OEM vehicles. Adient plc | Form 10-K | 15** Changes in U. S. administrative policy, including changes to existing trade agreements and any resulting changes in international trade relations, may have an adverse effect on Adient. There is continued uncertainty about the future relationship between the U. S. and various other countries, most significantly China, with respect to trade policies, treaties, government regulations and tariffs. ~~Under the Biden administration, changes~~ **Changes** in U. S. administrative policy could lead to changes to existing trade agreements, greater restrictions on free trade generally, **prohibitions or restrictions on the import of certain automobiles and components into the U. S.** and significant increases in tariffs on goods imported into the U. S., particularly tariffs on products manufactured in Mexico and China, among other possible changes. A trade war, other governmental action related to tariffs or international trade agreements, changes in U. S. social, political, regulatory and economic conditions or in laws and policies governing foreign trade, manufacturing, development and investment in the territories and countries where Adient currently manufactures and sells products, and any resulting negative sentiments towards the U. S. as a result of such changes, likely would have an adverse effect on Adient's business, financial condition or results of operations. ~~Adient plc | Form 10-K | 16~~ The regulation of Adient's international operations, and any failure of Adient to comply with those regulations, could adversely affect its business, results of operations and reputation. Due to Adient's global operations, Adient is subject to many laws governing international relations and its international operations, including laws that prohibit improper payments to government officials and commercial customers and that restrict where Adient can do business, what information or products Adient can import and export to and from certain countries and what information Adient can provide to a non-U. S. government. These laws include but are not limited to the U. S. Foreign Corrupt Practices Act, the Irish Criminal Justice ("Corruption Offences") Act, the U. K. Bribery Act, the U. S. Export Administration Act and U. S. and international economic sanctions and money laundering regulations. Adient has internal policies and procedures relating to compliance with such laws; however, there is a risk that such policies and procedures will not always protect Adient from the improper acts of employees, agents, business partners, joint venture partners or representatives, particularly in the case of recently acquired operations that may not have significant training in applicable compliance policies and procedures. Violations of these laws, which are complex, may result in criminal penalties, sanctions and / or fines, and may also result in costly and time-consuming governmental investigations, any or all of which could have an adverse effect on Adient's business, financial condition and results of operations and reputation. In addition, Adient is subject to antitrust laws in various countries throughout the world. Changes in these laws or their interpretation, administration or enforcement may occur over time. Any such changes may limit Adient's future acquisitions, divestitures or operations. Violations of antitrust laws may result in penalties, sanctions and / or fines, and may also result in costly and time-consuming governmental investigations, any or all of which could have an adverse effect on Adient's business, financial condition and results of operations and reputation. Risks Related to Adient's Operations Increases in the costs and restrictions on the availability of raw materials, energy, commodities, freight, labor and product components could adversely affect Adient's financial performance. Raw material, energy, commodity, freight and labor costs can be volatile. Although Adient has developed and implemented strategies to mitigate the impact of higher raw material,

energy, commodity, freight and labor costs, these strategies, together with commercial negotiations with Adient's customers and suppliers, may only offset a portion of the adverse impact. Certain of these strategies also may limit Adient's opportunities in a declining commodity environment. In addition, the availability of raw materials, commodities, transportation and product components fluctuates from time to time due to factors outside of Adient's control. Due to a variety of global factors, the automotive industry has experienced, and may continue to experience, supply chain disruptions from an insufficient availability of raw materials, components and labor. As a result of these disruptions, the automotive industry has seen volatility in the volume of automobile production, which has resulted in, and may continue to result in, decreased sales, without a corresponding decrease in labor costs, for Adient. In addition, the automotive industry has seen periods of price increases for commodities, primarily related to steel, and to a lesser extent petrochemicals, and energy costs in Europe. Adient has also experienced constrained labor availability which has resulted in wage inflationary pressures, both internally and at key vendors. Given the recent United Auto Workers ("UAW") strike beginning in September 2023, and UAW's ongoing strategy of targeted strikes, Adient may see increased pressure for wage and benefit increases in the U. S. These increases may continue into the future as demand increases and as supply may remain constrained, which has resulted in, and may continue to result in, increased costs for Adient. If the costs of raw materials, energy, commodities, freight costs, labor costs and product components increase or the availability thereof is restricted, it could adversely affect Adient's financial condition, operating results and cash flows. **Adient plc | Form 10- K | 16**

Adient operates in the highly competitive automotive supply industry. The global automotive component supply industry is highly competitive. Competition is based primarily on price, technology, quality, delivery and overall customer service. There can be no assurance that Adient's products will be able to compete successfully with the products of Adient's competitors. Furthermore, the rapidly evolving nature of the markets in which Adient competes, including as a result of the autonomous vehicle market and consumer preferences for mobility on demand services, such as car- and ride- sharing, may attract new entrants. Additionally, consolidation in the automotive industry may lead to decreased product purchases from Adient. As a result, Adient's sales levels and margins could be adversely affected by pricing pressures from OEMs and pricing actions of competitors. These factors may lead to selective resourcing of business to competitors. Adient's competitors may develop, design or duplicate technologies that compete with Adient's owned or licensed intellectual property. Developments or assertions by or against Adient relating to intellectual property rights, or any inability to protect Adient's rights, could have an adverse impact on its business and competitive position. In addition, any of Adient's competitors may foresee the course of market development more accurately than Adient, develop products that are superior to Adient's products, produce similar products at a **Adient plc | Form 10- K | 17** lower cost than Adient, or adapt more quickly than Adient to new technologies or evolving customer requirements. Adient cannot provide assurances that certain of Adient's products will not become obsolete or that Adient will be able to achieve the technological advances that may be necessary to remain competitive. As a result, Adient's products may not be able to compete successfully with its competitors' products and Adient may not be able to meet the growing demands of customers. In addition, Adient's customers may increase levels of production insourcing for a variety of reasons, such as shifts in customers' business strategies or the emergence of low- cost production opportunities in other countries. These trends may adversely affect Adient's sales as well as the profit margins on Adient's products. Adient's profitability and results of operations may be adversely affected by a significant failure or inability to comply with the specifications and manufacturing requirements of its OEM customers or by program launch difficulties. Adient's business faces the production demands and requirements of its OEM customers, as described in Item 1, "Business" of this Annual Report on Form 10- K. As a result of safety and environmental regulations, as well as a trend of more rapid customer preference changes, OEMs are requiring suppliers like Adient to respond faster with new designs and product innovations. A significant failure or inability to comply with customer specifications and manufacturing requirements or delays or other problems with existing or new products often results in financial penalties, increased costs, loss of sales, loss of customers or potential breaches of customer contracts, which likely would have an adverse effect on Adient's profitability and results of operations. In addition, to the extent Adient experiences product launch difficulties (which could be the result of a wide range of factors, including the production readiness of Adient's and its suppliers' manufacturing facilities and manufacturing processes, as well as factors related to tooling, equipment, employees, initial product quality and other factors), vehicle production at Adient's customers could be significantly delayed or shut down. Such situations could result in significant financial penalties to Adient, a diversion of personnel and financial resources to improving launches rather than investment in continuous process improvement or other growth initiatives, and could result in Adient's customers shifting work away from Adient to a competitor, all of which could result in loss of revenue, loss of market share and likely would have an adverse effect on Adient's profitability and cash flows. Adient's failure to successfully launch material new or takeover business, or Adient's inability to accurately estimate the cost to design, develop and launch new or takeover business, likely would have an adverse effect on Adient's profitability and results of operations. Adient may not be able to successfully negotiate pricing and other terms with its customers or may be unable to achieve product cost reductions that offset customer- imposed price reductions, both of which may adversely affect its results of operations. Adient negotiates sales price adjustments and other contractual terms periodically with its automotive customers. There is no guarantee that Adient will be able to successfully negotiate pricing or other terms that are favorable or beneficial to Adient. Further, any cost- cutting initiatives that its customers adopt generally result in increased downward pressure on pricing. If Adient is unable to generate sufficient production or supply chain cost savings in the future to offset price reductions, Adient's results of operations may be adversely affected. In particular, large commercial settlements with Adient's customers likely would adversely affect Adient's results of operations. In addition, Adient must negotiate contract and other program changes during the life of customer programs to address situations unforeseen at the beginning of the program, including those relating to labor shortages and material cost increases. The inability of Adient to negotiate these contract or program changes in a manner favorable to Adient could also adversely affect Adient's results of operations. **Adient plc | Form 10- K | 17** Work stoppages, including those at Adient's customers, and similar events could significantly disrupt Adient's business. Because the automotive

industry relies heavily on just-in-time delivery of components during the assembly and manufacture of vehicles, a work stoppage at one or more of Adient's manufacturing and assembly facilities could have adverse effects on the business. Similarly, if one or more of Adient's customers were to experience a work stoppage, such as what occurred during the UAW strike in the U. S. beginning in September late 2023, resulting in an estimated \$155 million of lost revenue to Adient (through November 3, 2023), ongoing supply chain disruptions, or otherwise, that customer would likely halt or limit purchases of Adient's products, which could result in the shutdown of the related Adient manufacturing facilities and or other cost-reduction initiatives. In addition in certain instances we, Adient may be unable to adjust our its staffing levels to correspond to a customer's work stoppage such that we Adient incur incurs increased labor costs along with a decrease in production. A significant disruption in the supply of a key component due to a work stoppage at one of Adient's suppliers or any other supplier could have the same consequences, and accordingly, have an adverse effect on Adient's financial results. Adient plc | Form 10-K | 18-Adient may be unable to realize the expected benefits of its restructuring actions, which could adversely affect its profitability and operations. In order to align Adient's resources with its strategies, operate more efficiently and control costs and to realign its businesses, with customer and market needs and operating conditions, Adient has periodically announced, and in the future may continue to announce, restructuring plans, which may include workforce reductions, global plant closures and consolidations, asset impairments and other cost reduction initiatives. In each of the last five six fiscal years, Adient announced restructurings related to cost reduction initiatives, which included workforce reductions, plant closures and asset impairments. Adient may undertake additional restructuring actions, including plant closures and workforce reductions in the future, particularly in EMEA where Adient is closely monitoring macroeconomic conditions and customer production plans. As these plans and actions are complex, unforeseen factors could result in expected savings and benefits to be delayed or not realized to the full extent planned (if at all), and Adient's operations and business may be disrupted, which likely would adversely affect Adient's financial condition, operating results and cash flow. Furthermore, to the extent such initiatives involve workforce changes, such changes may temporarily reduce workforce productivity, which could be disruptive to our Adient's business and adversely affect our results of operations. A failure of Adient's information technology ("IT") and data security infrastructure or the unsuccessful adoption of new technology such as artificial intelligence could adversely impact Adient's business, operations and reputation. Adient relies upon the capacity, reliability and security of its IT and data security infrastructure, as well as its ability to expand and continually update this infrastructure in response to the changing needs of its business. If Adient experiences a problem with the functioning of an important IT system or a security breach of Adient's IT systems, including a potential ransomware attack, due to failure to timely upgrade systems or during system upgrades and / or new system implementations, the resulting disruptions could have an adverse effect on Adient's business. Adient and certain of its third-party vendors receive and store personal information in connection with Adient's human resources operations and other aspects of Adient's business. Despite Adient's implementation of security measures, Adient's IT systems, like those of other companies, are vulnerable to damages from computer viruses, natural disasters, unauthorized access, cyber-attack, ransomware attack, and other similar disruptions. Any system failure, accident or cyber security breach or incident could result in disruptions to Adient's operations. A material network breach in the security of Adient's IT systems could lead to the theft of Adient's intellectual property, trade secrets, customer information, human resources information or other confidential information. To the extent that any disruptions or security breach results in a loss or damage to Adient's data, or an inappropriate disclosure of confidential, proprietary or customer information, it could cause significant damage to Adient's reputation, affect Adient's relationships with its customers and vendors, lead to claims against Adient and ultimately harm its business. In addition, Adient may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future. In addition, legislators and / or regulators in countries in which Adient operates are increasingly adopting or revising privacy, information security and data protection laws. In particular, the European Union's General Data Protection Regulation and the China security law both have extra-territorial scope. Violations of such laws and regulations may result in penalties, sanctions and / or fines, and may also result in costly and time-consuming governmental investigations, any or all of which could have an adverse effect on Adient's business, financial condition and results of operations and reputation. Adient is increasingly incorporating automation and artificial intelligence capabilities into the development of technologies and business operations, and into products and services. Artificial intelligence technology is complex and rapidly evolving, and may subject Adient to significant competitive, legal, regulatory, operational and other risks. The implementation of artificial intelligence can be costly and there is no guarantee that Adient's use of artificial intelligence will enhance its technologies, Adient plc | Form 10-K | 18 benefit its business operations, or produce products and services that are preferred by its customers. Adient's competitors may be more successful in their artificial intelligence strategy and develop superior products and services with the aid of artificial intelligence technology. Additionally, artificial intelligence algorithms or training methodologies may be flawed, and datasets may contain irrelevant, insufficient or biased information, which can cause errors in outputs. This may give rise to legal liability, reputational damage, and materially harm Adient's business. The use of artificial intelligence in the development of Adient's products and services could also cause loss of intellectual property, as well as subject it to risks related to intellectual property infringement or misappropriation, data privacy and cybersecurity. Additionally, market adoption of artificial intelligence technology could be impaired by ethical and other issues inherent in the technology, which could impair demand for Adient's products and services. Furthermore, the U. S. and other countries may adopt laws and regulations related to artificial intelligence. Such laws and regulations could cause Adient to incur greater compliance costs and limit the use of artificial intelligence in the development of its products and services. Any failure or perceived failure by Adient to comply with such regulatory requirements could subject Adient to legal liabilities, reputational damage, or otherwise have a material and adverse impact on Adient's business. Negative or unexpected tax consequences could adversely affect Adient's results of operations. Adverse changes in the underlying profitability and financial outlook of Adient's operations in

several jurisdictions could lead to additional changes in Adient's valuation allowances against deferred tax assets and other tax reserves on Adient's statements of financial position. Additionally, changes in tax laws in Ireland, the U. S. or in other countries where Adient has significant operations could materially affect deferred tax assets and liabilities on Adient's statements of financial position and income tax provision on Adient's statements of income. Adient is also subject to tax audits for both direct and indirect taxes by governmental authorities on a worldwide basis. Governmental authorities have become more aggressive in proposing tax assessments, including interest related to income taxes and transaction taxes such as Value Added Tax (" VAT "). Negative unexpected results from one or more such tax audits could adversely affect Adient's results of operations. ~~Adient plc | Form 10-K | 19~~

If Adient does not respond appropriately, the evolution of the automotive industry towards autonomous vehicles and mobility on demand services could adversely affect Adient's business. The automotive industry is increasingly focused on the development of advanced driver assistance technologies, with the goal of developing and introducing a commercially- viable, fully automated driving experience. There has also been an increase in consumer preferences for mobility on demand services, such as car- and ride- sharing, as opposed to automobile ownership, which may result in a long term reduction in the number of vehicles per capita. These evolving areas have also attracted increased competition from entrants outside the traditional automotive industry. If Adient does not continue to innovate to develop or acquire new and compelling products that capitalize upon new technologies in response to OEM and consumer preferences, this could have an adverse impact on Adient's results of operations. Adient may incur material losses and costs as a result of warranty claims and product liability actions that may be brought against Adient. Adient faces an inherent business risk of exposure to warranty claims and product liability in the event that its products fail to perform as expected and, in the case of product liability, such failure of its products results, or is alleged to result, in bodily injury and / or property damage. While Adient will maintain reasonable limits of insurance coverage to appropriately respond to such exposures, large product liability claims, if made, could exceed Adient's insurance coverage limits and insurance may not continue to be available on commercially acceptable terms, if at all. Adient may incur significant costs to defend these claims or experience product liability losses in the future. If any of Adient's products are or are alleged to be defective, Adient may be required to participate in a recall involving such products. As suppliers become more integrally involved in the vehicle design process and assume more of the vehicle assembly functions, auto manufacturers are increasingly looking to their suppliers for contribution when faced with recalls and product liability claims. A recall claim brought against Adient that is not insured, or a product liability claim brought against Adient in excess of its available insurance, could have an adverse impact on Adient's results of operations. In addition, a recall claim could require Adient to review its entire product portfolio to assess whether similar issues are present in other product lines, which could result in significant disruption to Adient's business and could have an adverse impact on Adient's results of operations. Auto manufacturers are also increasingly requiring their suppliers to guarantee or warrant their products and bear the costs of repair and replacement of such products under new vehicle warranties. Depending on the terms under which Adient supplies products to an auto manufacturer, an auto manufacturer may attempt to hold Adient responsible for some or all of the repair or **Adient plc | Form 10-K | 19** replacement costs of defective products under new vehicle warranties, when the vehicle manufacturer asserts that the product supplied did not perform as warranted. Although Adient cannot assure that the future costs of warranty claims by its customers and product liability claims will not be material, Adient believes its established reserves are adequate to cover potential settlements. Adient's reserves are based on Adient's best estimates of amounts necessary to settle future and existing claims. Adient regularly evaluates the level of these reserves, and adjusts them when appropriate. However, the final amounts determined to be due related to these matters could differ materially from Adient's recorded estimates. Any changes in consumer credit availability or cost of borrowing could adversely affect Adient's business. Declines in the availability of consumer credit and increases in consumer borrowing costs have negatively impacted global automotive sales and resulted in lower production volumes in the past. Substantial declines in automotive sales and production by Adient's customers likely would have an adverse effect on Adient's business, results of operations and financial condition. Global climate change and related emphasis on **ESG sustainability** matters by various stakeholders could negatively affect Adient's business. Increased public awareness and concern regarding global climate change may result in more regional and / or federal requirements to reduce or mitigate the effects of greenhouse gas emissions. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. Such regulatory uncertainty extends to future incentives for energy efficient vehicles and costs of compliance, which may impact the demand for Adient's products and Adient's results of operations. The effects of climate change, such as extreme weather conditions, create financial risk to Adient's business. For example, the demand for Adient's products and services may be affected by unseasonable weather conditions. Climate changes could also disrupt Adient's operations by impacting the availability and cost of materials needed for manufacturing and could increase insurance and other operating costs. These factors may impact Adient's decisions to construct new facilities or maintain existing ~~Adient plc | Form 10-K | 20~~ facilities in areas most prone to physical climate risks. Adient could also face indirect financial risks passed through the supply chain, and process disruptions due to physical climate changes could result in price modifications for Adient's products and the resources needed to produce them. Furthermore, customer, investor, regulatory and employee expectations in areas such as **ESG sustainability** have been rapidly evolving and increasing. Specifically, regulatory bodies around the globe continue to develop **ESG sustainability** reporting requirements, many of which will be subject to independent audits. Emerging European legislation is requiring detailed emissions data reporting for imported carbon intensive commodities, subject to financial payment mechanisms after a transition period. Further European legislation is requiring extensive value chain diligence for forest related commodities to ensure goods do not result from recent deforestation, forest degradation or breaches of local law. Also, certain customers are beginning to require that Adient provide information on its plans and goals relating to certain climate- related matters such as carbon and greenhouse gas emissions and renewable energy. Product design activities for lower carbon emission products must keep pace with customer carbon emission reduction and pricing expectations. The enhanced stakeholder focus on **ESG sustainability** issues relating to Adient requires the continuous

monitoring of various and evolving standards and the associated reporting requirements. A failure to adequately meet regulatory requirements and stakeholder expectations or achieve its **ESG-sustainability**-related goals may result in the loss of business, diluted market valuation, an inability to attract customers or an inability to attract and retain top talent. As of the date of this filing, Adient has made several public commitments regarding **our the** intended reduction of carbon emissions, including commitments to science-based targets to reduce carbon emissions from its operations and the operations of its customers. Although Adient intends to meet these commitments, it may be required to expend significant resources to do so, which could increase its operational costs. Further, there can be no assurance that any of Adient's commitments will be achieved, or that any future investments it makes to achieve such targets and goals will meet investor expectations or any binding or non-binding legal standards regarding sustainability performance. Moreover, Adient may determine that it is in the best interest of Adient and its shareholders to prioritize other business, social, governance or sustainable investments over the achievement of **our Adient's** current commitments based on economic, regulatory and social factors, business strategy or pressure from investors, activist groups or other stakeholders. If Adient is unable to meet these commitments, then it could incur adverse publicity and reactions from investors, activist groups and other stakeholders, which could adversely impact the perception of Adient and its products and services by current and potential customers, as well as investors, which could in turn adversely impact its results of operations. **Adient plc | Form 10-K | 20** Risks related to Adient's defined benefit retirement plans may adversely impact Adient's results of operations and cash flow. Significant changes in actual investment return on defined benefit plan assets, discount rates, mortality assumptions and other factors could adversely affect Adient's results of operations and the amounts of contributions Adient must make to its defined benefit plans in future periods. For example, Adient has recorded mark-to-market adjustments on the revaluation of its pension obligations that have significantly impacted its overall results the past two years. Generally accepted accounting principles in the U. S. require that Adient calculate income or expense for the plans using actuarial valuations. These valuations reflect assumptions about financial markets and interest rates, which may change based on economic conditions. Funding requirements for Adient's defined benefit plans are dependent upon, among other factors, interest rates, underlying asset returns and the impact of legislative or regulatory changes related to defined benefit funding obligations. Legal proceedings in which Adient is, or may be, a party may adversely affect Adient. Adient is currently and may in the future become subject to legal proceedings and commercial, contractual or other disputes. These are typically lawsuits, claims and proceedings that arise in the normal course of business including, without limitation, claims pertaining to product liability, product safety, environmental, safety and health, intellectual property, employment, commercial, contractual and various other matters. The outcome of such lawsuits, claims or proceedings cannot be predicted with certainty and some may be disposed of unfavorably to Adient. There exists the possibility that such claims may have an adverse impact on Adient's results of operations that is greater than Adient anticipates, and / or negatively affect Adient's reputation. A downgrade in the ratings of Adient's debt capital could restrict Adient's ability to access the debt capital markets and increase Adient's interest costs. Unfavorable changes in the ratings that rating agencies assign to Adient's debt may ultimately negatively impact Adient's access to the debt capital markets and increase the costs Adient incurs to borrow funds. Future tightening in the credit markets and a reduced level of liquidity in many financial markets due to turmoil in the financial and banking industries could adversely affect Adient's access to the debt capital markets or the price Adient pays to issue debt. A downgrade in Adient's ratings or volatility in the financial markets causing limitations to the debt capital markets could have an adverse effect on Adient's business or Adient **plc | Form 10-K | 21 Adient**'s ability to meet its liquidity needs. There can be no assurance that Adient would be able to obtain additional financing or refinancing and failure to obtain such additional financing or refinancing could have a material adverse impact on **our Adient's** operations. Adient may incur or assume significantly more debt in the future. If Adient incurs more debt in the future and does not retire existing debt, the risks described above could increase. Adient's debt obligations could adversely affect Adient's business, profitability and the ability to meet its obligations. As of September 30, **2023-2024**, Adient's total consolidated indebtedness approximated \$ 2. **5-4** billion. This significant amount of debt could potentially have adverse consequences to Adient and its debt and equity investors, including: • making it more difficult to satisfy other obligations; • increasing the risk of a future credit ratings downgrade of its debt, which could increase future debt costs and limit the future availability of debt financing; • increasing Adient's vulnerability to general adverse economic and industry conditions; • placing Adient at a competitive disadvantage relative to its competitors that may not be as highly leveraged with debt; and • limiting Adient's ability to borrow additional funds as needed. Adient's business success depends on attracting and retaining qualified personnel and **our the attempts- attempt** to **fully reopen our offices and** operate under a hybrid working environment may not be successful. Adient's ability to sustain and grow its business requires it to hire, retain and develop a highly skilled and diverse management team and workforce. Failure to ensure that Adient has the leadership capacity with the necessary skill set and experience could impede Adient's ability to deliver its growth objectives and execute its strategic plan. Organizational and reporting changes as a result of any future leadership transition and corporate initiatives, including restructuring actions, could result in increased turnover. Additionally, any unplanned turnover or inability to attract and retain key employees could have a negative effect on Adient's results of operations. Further, certain of the recent austerity measures related to employee compensation, along with the on-going unpredictability of production schedules, could result in employees pursuing other employment opportunities outside of Adient. Adient **plc | Form 10-K | 21 Adient** is operating under a "hybrid" working environment, meaning that the majority of its non-plant employees have the flexibility to work remotely at least some of the time, for the foreseeable future. The hybrid working environment may impair Adient's ability to maintain its collaborative and innovative culture, and may cause disruptions among employees, including decreases in productivity, challenges in communications between on-site and off-site employees and, potentially, employee dissatisfaction and attrition. If Adient's attempts to operate under a hybrid working environment are not successful, its business could be adversely impacted. Adverse developments affecting, or the financial distress of, one or more of Adient's suppliers or other third-party counterparties could adversely affect Adient's financial performance. Adient obtains components and other products and

services from numerous automotive suppliers and other vendors throughout the world. In addition, Adient is party to various arrangements with third parties who owe Adient money or goods and services, or who purchase goods and services from Adient. Adient is responsible for managing its supply chain, including suppliers that may be the sole sources of products that Adient requires, which Adient's customers direct Adient to use or which have unique capabilities that would make it difficult and / or expensive to re- source. In addition, with fewer sources of supply for certain components, each supplier may perceive that it has greater leverage and, therefore, some ability to seek higher prices from us at a time that we Adient face faces substantial pressure from OEMs to reduce the prices of our Adient's products. This could adversely affect our customer relations and business. In certain instances entire industries may experience short- term capacity constraints. Additionally, Adient's production capacity, and that of Adient's customers and suppliers, may be adversely affected by natural disasters. Any such significant disruption could adversely affect Adient's financial performance. Unfavorable economic or industry conditions could also result in financial distress within Adient's supply chain or among other third -party counterparties, thereby increasing the risk of supply disruption or lost orders. Although market conditions generally have improved in recent years, uncertainty remains and another economic downturn or other unfavorable industry conditions in one or more of the regions in which Adient operates could cause a supply disruption or loss of customer orders and thereby adversely affect Adient's financial condition, operating results and cash flows. Adient plc | Form 10- K | 22

The loss of business with respect to, or the lack of commercial success of, a vehicle model for which Adient is a significant supplier could adversely affect Adient's financial performance. Although Adient receives purchase orders from its customers, these purchase orders often provide for the supply of a customer's annual requirements for a particular vehicle model and assembly plant, or in some cases, for the supply of a customer's requirements for the life of a particular vehicle model, rather than for the purchase of a specific quantity of products. In addition, it is possible that Adient's customers could elect to manufacture its products internally or increase the extent to which they require Adient to utilize specific suppliers or materials in the manufacture of its products. The loss of business with respect to, the lack of commercial success of or an increase in directed component sourcing for a vehicle model for which Adient is a significant supplier could reduce Adient's sales or margins and thereby adversely affect Adient's financial condition, operating results and cash flows. Shifts in market shares among vehicles, vehicle segments or shifts away from vehicles on which Adient has significant content or overall changes in consumer demand could have an adverse effect on Adient's profitability. While Adient supplies parts for a wide variety of vehicles produced globally, Adient does not supply parts for all vehicles produced, nor is the number or value of parts evenly distributed among the vehicles for which Adient does supply parts. Shifts in market shares among vehicles or vehicle segments, including as a result of the autonomous vehicle market, particularly shifts away from vehicles on which Adient has significant content and shifts away from vehicle segments in which Adient's sales may be more heavily concentrated, could have an adverse effect on Adient's profitability. Similarly, certain vehicles or vehicle segments Adient supplies may be disproportionately impacted by overall industry disruptions such that Adient's sales may be adversely effected relative to the industry in general or our Adient's competitors, which could have a negative effect on Adient's business. Increases in energy costs or other factors (e. g., climate change concerns) may also shift consumer demand away from motor vehicles that typically have higher interior content that Adient supplies, such as light trucks, crossover vehicles, minivans and sports utility vehicles, to smaller vehicles having less interior content. The loss of business with respect to, or a lack of commercial success of, one or more particular vehicle models for which Adient is a significant supplier could reduce Adient's sales and harm Adient's profitability, thereby adversely affecting Adient's results of operations. Adient may not pay dividends on its ordinary shares, which may impact Adient's investor base. Adient currently does not have plans to pay dividends on its ordinary shares. The timing, declaration, amount and payment of future dividends to shareholders will fall within the discretion of Adient's board Board of directors Directors. The board Board's decisions regarding the payment of dividends will depend on many factors, such as Adient's financial condition, earnings, sufficiency of Adient plc | Form 10- K | 22 distributable reserves, capital requirements, debt service obligations, legal requirements, regulatory constraints and other factors that the board deems relevant. Adient's ability to pay dividends will depend on its ongoing ability to generate cash from operations and access capital markets. Adient cannot guarantee that it will pay dividends in the future which may impact Adient's investor base. A variety of other factors could adversely affect Adient's results of operations. Any of the following could adversely impact Adient's results of operations: the inability of Adient to execute continued turnaround actions to improve profitability; the loss of, or changes in, automobile supply contracts, sourcing strategies or customer claims with Adient's major customers or suppliers; increased freight or shipping costs resulting from extreme weather conditions or supply chain disruptions, lack of commodity availability and unfavorable commodity pricing; start- up expenses associated with new vehicle programs or delays or cancellations of such programs; underutilization of Adient's manufacturing facilities, which are generally located near, and devoted to, a particular customer's facility; inability to recover engineering and tooling costs; market and financial consequences of any recalls that may be required on products that Adient has supplied or sold into the automotive aftermarket; delays or difficulties in new product development and integration; quantity and complexity of new program launches, which are subject to Adient's customers' timing, performance, design and quality standards; interruption of supply of certain single- source components; the potential introduction of similar or superior technologies; changing nature and prevalence of Adient's joint ventures and relationships with its strategic business partners; global overcapacity and vehicle platform proliferation; and the implementation of new internal control systems and procedures that fail to achieve accurate financial reporting or that fail to prevent fraudulent activity (such as vendor payments to fraudulent bank accounts). 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Risks Related to Adient's Jurisdiction of Incorporation As an Irish public limited company, certain capital structure decisions require shareholder approval, which may limit Adient's flexibility to manage its capital structure. Irish law provides that a board Board of directors Directors may allot shares (or rights to subscribe for or convertible into shares) only with the prior authorization of shareholders. At our Adient's most recent Annual General Meeting, Adient's shareholders renewed this authorization for a period of 18 months (unless previously renewed, varied or revoked). This authorization will need to be

further renewed by ordinary resolution, being a resolution passed by a simple majority of votes cast, prior to expiration. We ~~Adient anticipate-anticipates~~ seeking another authorization at ~~our-the~~ next Annual General Meeting and annually thereafter. Should this authorization not be approved, ~~our-the~~ ability to issue equity could be limited which could adversely affect ~~our~~ ~~Adient's~~ securities holders. Irish law also generally provides shareholders with preemptive rights when new shares are issued for cash; however, it is possible for shareholders to vote to exclude preemptive rights in a general meeting. At ~~our-the~~ most recent Annual General Meeting, Adient's shareholders renewed this authorization for a period of 18 months (unless previously renewed, varied or revoked). This authorization will need to be renewed by special resolution, being a resolution passed by not less than 75 % of votes cast, upon expiration. We ~~Adient anticipate-anticipates~~ seeking another authorization at ~~our-the~~ next Annual General Meeting and annually thereafter. Should this authorization not be approved, ~~our-the~~ ability to issue equity could be limited which could adversely affect ~~our~~ ~~Adient's~~ securities holders. The laws of Ireland differ from the laws in effect in the U. S. and may afford less protection to holders of Adient securities. It may not be possible to enforce court judgments obtained in the U. S. against Adient in Ireland based on the civil liability provisions of the U. S. federal or state securities laws. In addition, there is some uncertainty as to whether the courts of Ireland would recognize or enforce judgments of U. S. courts obtained against Adient or its directors or officers based on the civil liabilities provisions of the U. S. federal or state securities laws or hear actions against Adient or those persons based on those laws. The U. S. currently does not have a treaty with Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters in Ireland. Therefore, a final judgment for the payment of money rendered by any U. S. federal or state court based on civil liability, whether or not based solely on U. S. federal or state securities laws, would not automatically be enforceable in Ireland. A judgment obtained against Adient will be enforced by the courts of Ireland if the following general requirements are met: (i) U. S. courts must have had jurisdiction in relation to the particular defendant according to Irish conflict of law rules (the submission to jurisdiction by the defendant would satisfy this rule) and (ii) the judgment must be final and conclusive and the decree must be final and unalterable in the court which pronounces it. A judgment can be final and conclusive even if it is subject to appeal or even if an appeal is pending. Where however the effect of lodging an appeal under the applicable law is to stay execution of the judgment, it is possible that in the meantime the judgment may not be actionable in Ireland. It remains to **Adient plc | Form 10-K | 23** be determined whether final judgment given in default of appearance is final and conclusive. However, Irish courts may refuse to enforce a judgment of the U. S. courts which meets the above requirements for one of the following reasons: (i) if the judgment is not for a definite sum of money; (ii) if the judgment was obtained by fraud; (iii) the enforcement of the judgment in Ireland would be contrary to natural or constitutional justice; (iv) the judgment is contrary to Irish public policy or involves certain U. S. laws which will not be enforced in Ireland; or (v) jurisdiction cannot be obtained by the Irish courts over the judgment debtors in the enforcement proceedings by personal service in Ireland or outside Ireland under Order 11 of the Ireland Superior Courts Rules. As an Irish company, Adient is governed by the Irish Companies Act 2014, which differs in some material respects from laws generally applicable to U. S. corporations and shareholders, including, among others, differences relating to interested director and officer transactions and shareholder lawsuits. Likewise, the duties of directors and officers of an Irish company generally are owed to Adient only. Shareholders of Irish companies generally do not have a personal right of action against directors or officers of Adient and may exercise such rights of action on behalf of Adient only in limited circumstances. Accordingly, holders of Adient's securities may have more difficulty protecting their interests than would holders of securities of a corporation incorporated in a jurisdiction of the U. S. In addition, the Adient articles of association provide that the Irish courts have exclusive jurisdiction to determine any and all derivative actions in which a holder of Adient ordinary shares asserts a claim in the name of Adient, actions asserting a claim of breach of a fiduciary duty of any of the directors of Adient and actions asserting a claim arising pursuant to any provision of Irish law or Adient's articles of association. Under Irish law, the proper claimant for wrongs committed against Adient, including by the Adient directors, is considered to be Adient itself. Irish law permits a shareholder to initiate a lawsuit on behalf of a company such as Adient only in limited circumstances, and requires court permission to do so. **Adient plc | Form 10-K | 24** Adient's effective tax rate could be volatile and materially change as a result of changes in tax laws, mix of earnings and other factors. A change in tax laws is one of many factors that impact Adient's effective tax rate. The U. S. Congress, the Organization for Economic Co- operation and Development ("OECD") and other government agencies in jurisdictions where Adient and its affiliates do business have had an extended focus on issues related to the taxation of multinational corporations. One example is in the area of base erosion and profit shifting, including situations where payments are made between affiliates from a jurisdiction with high tax rates to a jurisdiction with lower tax rates. As a result, the tax laws in the U. S. and other countries in which Adient and its affiliates do business could change on a prospective or retroactive basis, and any such changes could adversely impact Adient and its affiliates, including potential adverse impacts to Adient's effective tax rate. On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (the "IRA") into law. The corporate tax provisions include (a) the creation of a 15 % corporate minimum tax, effective for Adient's fiscal year 2024, and (b) a nondeductible 1 % excise tax on share buy- backs of covered corporations, effective for stock repurchases that occur after December 31, 2022. Based upon current IRS guidance and Adient income levels, Adient ~~does is~~ not expect to be subject to either provision. However, Adient will continue to monitor and reassess the impact, if any, as the IRS and U. S. Treasury issue additional guidance on the IRA provisions. Given the current political environment, it is uncertain whether additional U. S. corporate tax reform could be expected. There are a number of corporate income tax topics that were not addressed in the IRA that could be raised in the future, for example: increasing the U. S. corporate tax rate, increasing the rate of tax on certain earnings of foreign subsidiaries (the corporate minimum tax), modifying the base erosion and anti- abuse tax rules to target outbound payments to low- taxed jurisdictions, and further limiting interest expense deductibility. If any or all of these (or similar) proposals are ultimately enacted into law, in whole or in part, Adient's effective tax rate could be negatively impacted. In 2021, the OECD released a framework for the fundamental reform of international tax rules. The framework provides for two primary "Pillars"; however, only Pillar Two, which provides for a global minimum corporate tax rate of 15 %

in each jurisdiction in which the group operates, is expected to be applicable to Adient (Pillar One is not expected to be applicable as Adient does not currently meet the turnover threshold – EUR 20 billion). In December 2022, Pillar Two was adopted by the Council of the European Union for implementation by European Union member states by December 31, 2023, with effect for tax years beginning in calendar year 2024 (Adient’s 2025 fiscal year) **and Ireland has enacted national legislation to implement Pillar Two**. Similar directives under Pillar Two are already adopted or expected to be adopted by taxing authorities in other countries where Adient does business, with widespread implementation of the global minimum tax in calendar years 2024 and 2025. The OECD, and its member countries, continue to release new guidance on these rules and Adient is continuously evaluating the impact to its financial position. Currently, the global enactment of Pillar Two is not expected to materially impact Adient’s effective tax rate or cash flows. However, Adient will continue to monitor and evaluate new legislation and guidance, which could change ~~our~~ **the** current assessment. **Adient plc | Form 10-K | 24** Currently, Adient incurs losses in certain countries where it does not receive a financial statement benefit, and Adient operates in countries which have different statutory rates. Consequently, changes in the mix and source of earnings between countries could have a material impact on Adient’s overall effective tax rate. Legislative and other proposals that would deny governmental contracts to U. S. companies that move their corporate location abroad may affect Adient if adopted. Various U. S. federal and state legislative and other proposals that would deny governmental contracts to U. S. companies (and subsidiaries of U. S. companies) that move (or have moved) their corporate location abroad may affect Adient and / or its affiliates if adopted. It is difficult to predict the likelihood that any such proposals might be adopted, the nature of the regulations that might be promulgated, or the effect such adoptions and increased regulatory scrutiny might have on Adient’s business. Adient’s status as a foreign corporation for U. S. federal tax purposes could be affected by a change in law. Under current law, Adient is expected to be treated as a foreign corporation for U. S. federal tax purposes and Section 7874 is not otherwise expected to apply to Adient or its affiliates as a result of the separation from Johnson Controls International plc (~~the~~ **the** “Former Parent”) in 2016. However, changes to the rules contained in Section 7874 and the Treasury Regulations promulgated thereunder, or other changes in law, could adversely affect Adient’s and / or its affiliates’ status as foreign corporations for U. S. federal tax purposes, the ability of Adient’s U. S. affiliates to use certain attributes or deductions, the Adient group’s effective tax rate and / or future tax planning for the Adient group, and any such changes could have prospective or retroactive application to Adient, its shareholders and affiliates, and / or the separation and distribution from the Former Parent. **Prior Adient plc | Form 10-K | 25 Recent** legislative and other proposals have aimed to expand the scope of U. S. corporate tax residence. Under such proposals, Adient and / or its affiliates could be treated as U. S. corporations if the management and control of Adient or such affiliates were determined to be located primarily in the U. S. In addition, ~~recent~~ **prior** legislative and other proposals have aimed to expand the scope of Section 7874, or otherwise address certain perceived issues arising in connection with so- called inversion transactions. Such proposals, if made retroactively effective to transactions completed during the period in which the separation from the Former Parent occurred, could cause Adient and / or its affiliates to be treated as U. S. corporations for U. S. federal tax purposes. If enacted, ~~these~~ **such** proposals could cause the Adient group to be subject to substantially greater U. S. tax liability than currently contemplated. ~~Potential indemnification liabilities to Adient’s former parent company pursuant to the separation agreement could adversely affect Adient. The separation arrangements with the Former Parent company provide for, among other things, the principal corporate transactions required to effect the separation, certain conditions to the separation and provisions governing the relationship between Adient and the Former Parent company with respect to and resulting from the separation, including ongoing relationships. Among other things, the separation arrangements provide for indemnification obligations designed to make Adient financially responsible for substantially all liabilities that may exist relating to its business activities, whether incurred prior to or after the separation, as well as those obligations of the Former Parent assumed by Adient pursuant to the separation arrangements and in respect of the conduct of the parties post- separation. Adient may be subject to substantial liabilities under these indemnifications.~~ Transfers of Adient ordinary shares, other than by means of the transfer of book- entry interests in the Depository Trust Company, may be subject to Irish stamp duty. It is expected that, for the majority of transfers of Adient ordinary shares, there will not be any Irish stamp duty. Transfers of Adient ordinary shares effected by means of the transfer of book- entry interests in the Depository Trust Company (~~“~~ **which we refer to as DTC** ~~”~~ **;** ~~”~~) are not subject to Irish stamp duty. But if Adient ordinary shares are held directly rather than beneficially through DTC, any transfer of Adient ordinary shares could be subject to Irish stamp duty (currently at the rate of 1 % of the higher of the price paid or the market value of the shares acquired). A shareholder who directly holds Adient ordinary shares may transfer those shares into his or her own broker account to be held through DTC (or vice versa) without giving rise to Irish stamp duty provided that there is no change in the beneficial ownership of the shares as a result of the transfer and the transfer is not in contemplation of a sale of the shares by a beneficial owner to a third ~~-~~ party. Payment of Irish stamp duty is generally a legal obligation of the transferee. The potential for stamp duty could adversely affect the price of Adient ordinary shares. Certain provisions in Adient’s articles of association, among other things, could prevent or delay an acquisition of Adient, which could decrease the trading price of Adient ordinary shares. Adient’s articles of association include measures that may be found in the charters of U. S. companies and that could have the effect of deterring coercive takeover practices, inadequate takeover bids and unsolicited offers. These provisions include, among others: (i) the power for the ~~board~~ **Board** of ~~directors~~ **Directors** to issue and allot preferred shares or implement a shareholder rights plan without shareholder approval in certain circumstances; (ii) a provision similar to Section 203 of the Delaware General Corporation Law, which provides that, subject to limited exceptions, persons that acquire, or are affiliated with a person that acquires, more than 15 percent of the outstanding ordinary shares of Adient shall not engage in any business combination with Adient, including by merger, consolidation or acquisitions of additional shares, for a three- year period following the date on which that person or its affiliates becomes the holder of more than 15 percent of Adient’s outstanding ordinary shares; (iii) rules **Adient plc | Form 10-K | 25** regarding how shareholders may present proposals or nominate directors for election at shareholder meetings; and (iv) the ability of the Adient ~~board~~ **Board** of ~~directors~~ **Directors** to fill

vacancies on the ~~board~~ **Board** of ~~directors~~ **Directors** in certain circumstances. It could be difficult for Adient to obtain shareholder approval for a merger or negotiated transaction because the shareholder approval requirements for certain types of transactions differ, and in some cases are greater, under Irish law than under U. S. state law. In addition, several mandatory provisions of Irish law could prevent or delay an acquisition of Adient. For example, Adient will be subject to various provisions of Irish law relating to mandatory bids, voluntary bids, requirements to make a cash offer and minimum price requirements, as well as substantial acquisition rules and rules requiring the disclosure of interests in Adient ordinary shares in certain circumstances. Also, Irish companies, including Adient, may only alter their memorandum of ~~Adient plc~~ **Form 10-K** ~~26~~ association and articles of association with the approval of the holders of at least 75 % of Adient' s shares present and voting in person or by proxy at a general meeting of Adient (and certain provisions of Adient' s memorandum of association and articles of association may only be amended with the approval of the holders of at least 80 % in nominal value of Adient' s issued ordinary shares). Irish law requires that Adient meet certain additional financial requirements before it declares dividends. Under Irish law, Adient will be able to declare dividends and make distributions only out of " distributable reserves." Distributable reserves are the accumulated realized profits of Adient that have not previously been utilized in a distribution or capitalization less accumulated realized losses that have not previously been written off in a reduction or reorganization of capital, and include reserves created by way of a reduction of capital, including the share premium account. In addition, no distribution or dividend may be paid or made by Adient unless the net assets of Adient are equal to, or exceed, the aggregate of Adient' s called up share capital plus non- distributable reserves and the distribution does not reduce Adient' s net assets below such aggregate. Non- distributable reserves include the share premium account, the capital redemption reserve fund and the amount by which Adient' s accumulated unrealized profits that have not been previously utilized by any capitalization exceed Adient' s accumulated unrealized losses that have not previously been written off in a reduction or reorganization of capital.