

Risk Factors Comparison 2025-02-18 to 2024-02-20 Form: 10-K

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Set forth below are some of the most significant risks and uncertainties facing the Company. Additional risks and uncertainties, including those not presently known or that the Company believes to be immaterial, also may adversely affect the Company. Should any such risks and uncertainties develop into actual events, these developments could have material adverse effects on the Company's business, operating results, financial condition, cash flow and / or the value of the Company's securities. This information should be considered in connection with the description of the Company's business, Management's Discussion & Analysis, and the Company's financial statements and accompanying notes.

Operations Related Risk Factors The Company could be negatively impacted by shortages in deliveries from its supply base, other supplier distress, or suppliers demanding price increases. In an effort to manage and reduce the costs of purchased goods and services, the Company, like many automotive suppliers and automakers, has been consolidating its supply base. As a result, the Company is dependent on single or limited sources of supply for certain components used in the manufacture of its products including semiconductor chips, which are integral components of new vehicles and are embedded in multiple vehicle systems, including cockpit electronics. As a result of the semiconductor shortages in recent years, the Company continues to work closely with its suppliers and customers to minimize any potential adverse impacts of the semiconductor supply shortage and monitor the availability of semiconductor microchips and other component parts and raw materials, customer vehicle production schedules, and any other supply chain inefficiencies that may arise, due to this or any other issue. If shortages of semiconductors or other critical components from other suppliers develop, continue longer than anticipated, or worsen, it could impact the Company's ability to meet its production schedules for some of its key products or to ship such products to its customers in a timely fashion. Furthermore, unfavorable economic or industry conditions could result in financial distress within the Company's supply base, thereby increasing the risk of supply disruption. Such disruptions could be caused by any one of a myriad of potential problems, such as closures of one of the Company's or its suppliers' plants or critical manufacturing lines due to strikes, manufacturing quality issues, mechanical breakdowns, electrical outages, fires, explosions, or political upheaval, as well as logistical complications due to weather, global climate change, volcanic eruptions, or other natural or nuclear disasters, mechanical failures, delayed customs processing, the spread of an infectious disease, virus or other widespread illness and more. Additionally, as the Company grows in best cost countries, the risk for such disruptions is heightened. Similarly, a potential quality issue could force the Company to halt deliveries while it validates the products. Even where products are ready to be shipped, or have been shipped, delays may arise before they reach the customer. The Company's customers may halt or delay production if one of their other suppliers fails to deliver necessary components. This may cause the Company's customers to suspend their orders or instruct us to suspend delivery of the Company's products, which may adversely affect the Company's financial performance. If the Company were to fail to make timely deliveries in accordance with contractual obligations, the Company generally must absorb its own costs for identifying and solving the "root cause" problem as well as expeditiously producing replacement components or products. Generally, the Company must also absorb the costs associated with "catching up," such as overtime and premium freight. Additionally, if the Company is the cause for a customer being forced to halt production the customer may seek to recoup all of its losses and expenses from the Company. Certain customers have communicated that they expect such reimbursement and are reserving their rights to claim damages arising from supply shortages. **The Company believes ~~it~~ ~~is~~ ~~has~~ ~~a~~ ~~number~~ ~~of~~ ~~legal~~ ~~defenses~~ ~~defense~~ ~~to~~ ~~of~~ ~~such~~ ~~claims~~ ~~and~~ ~~intends~~ ~~to~~ ~~defend~~ ~~any~~ ~~potential~~ ~~claims~~ ~~vigorously~~. ~~Should~~ ~~the~~ ~~company~~ ~~be~~ ~~unsuccessful~~ ~~in~~ ~~their~~ ~~defense~~, these losses and expenses could be significant, and may include consequential losses such as lost profits. Any supply-chain disruption, however small, could cause the complete shutdown of an assembly line of one of the Company's customers, and any such shutdown could lead to material claims for compensation. The Company has experienced and may in the future experience supplier price increases that could negatively affect its operations and profitability. The price increases are often driven by raw material pricing and availability, component or part availability, manufacturing capacity, industry allocations, logistics capacity, natural disasters or pandemics, the effects of climate change, inflation, **sudden increases in border tariffs,** and significant changes in the financial or business condition of its suppliers. The Company's substantial international operations make it vulnerable to risks associated with doing business in foreign countries. The Company has manufacturing and distribution facilities in many foreign locations. International operations are subject to certain risks inherent in doing business abroad, including, but not limited to: • changes to international trade agreements; • local economic conditions, expropriation and nationalization, foreign exchange rate fluctuations, and currency controls; • withholding, border, and other taxes on remittances and other payments by subsidiaries; • investment restrictions or requirements; • export and import restrictions, including increases in border tariffs; • the ability to effectively enforce intellectual property rights; • new or additional governmental sanctions on doing business with or in certain countries or with certain persons; and • increases in working capital requirements related to long supply chains. Additionally, the Company's global operations may also be adversely affected by political events, domestic or international terrorist events, and hostilities or complications due to natural or other disasters. These or any further political or governmental developments or health concerns in Mexico, China, or other countries in which the Company operates or where its suppliers are located could result in social, economic, and labor instability. These uncertainties could have a material adverse effect on the continuity of the Company's business, results of operations, and financial condition. **Existing free Trade trade laws and regulations, such as the United States- Mexico- Canada Agreement, provide certain beneficial duties and tariffs for qualifying imports and exports, subject to compliance with the applicable classification and other requirements. Changes in laws or policies governing****

the terms of trade, and in particular increased trade restrictions, tariffs or taxes on imports from countries where the Company manufactures products, such as Mexico and China, could have a material adverse effect on its business and financial results. For example, in February 2025, the U. S. government imposed or threatened to impose new tariffs on imported products from Mexico, Canada and China and reciprocal tariffs globally. The impact of these tariffs is subject to a number of factors, including the effective date and duration of such tariffs, changes in the amount, scope and nature of the tariffs in the future, any retaliatory responses to such actions that the target countries may take and any mitigating actions that may become available. Despite recent trade negotiations are ongoing, notably between the U. S. and the Mexican, Canadian and Chinese governments. However, given the uncertainty regarding the negotiations scope and duration of any new tariffs, including as well as the potential for additional tariffs or trade barriers by or between the U. S., Mexico, Canada, China (or other countries, the Company can provide no assurance that any strategies it implements to mitigate the impact of such tariffs or other trade actions will be successful. Management continues to monitor the volatile geopolitical environment to identify, quantify and assess proposed or threatened duties, taxes or other business restrictions which could adversely affect our business and financial results. In addition, U. S. trade legislation continues to evolve related to barriers on the use of various products and technology from around the world including but not limited to the (i) Uyghur Forced Labor Prevention Act and (ii) Securing, or other, the countries, the Information and Communications Technology and Services Supply Chain: Connected Vehicles). The Company can provide no assurance that any strategies we implement to mitigate the impact of any trade actions will be successful. The Company has invested significantly and is expected to continue to invest in joint ventures with other parties to conduct business in China and elsewhere in Asia. These investments may include manufacturing operations, technical centers, and research and development activities, to support anticipated growth in the region. If the Company is not able to strengthen existing relationships, secure additional customers, and develop market- relevant electrification, advanced driver assistance, and semi- autonomous and autonomous vehicle technologies, it may fail to realize expected rates of return on these investments. In addition, failure of the Company' s joint venture partners to comply with contractual commitments or to exert influence or pressure in China may impact the Company' s operations, financial condition and cash flow. The For example, as previously disclosed, during the second quarter of 2022, the Company recorded a settlement charge related to a contract dispute with a joint venture partner in China and during the fourth quarter of 2022 the Company incurred approximately \$ 19 million of program management costs and other charges with that joint venture partner. Although those disputes were resolved, the Company cannot predict the outcome of future interactions and it is possible that any future disputes and / or changes to the contractual obligations with the joint venture partner could have a material impact on the Company' s business, operating results, financial condition, and cash flow. The Company' s ability to effectively operate could be hindered if it fails to attract and retain key personnel The Company' s ability to operate its business and implement its strategies effectively depends, in part, on the efforts of its executive officers and other key employees. In addition, the Company' s future success will depend on, among other factors, the ability to attract and retain qualified personnel, particularly engineers and other employees with critical expertise and skills that support key customers and products or in emerging regions. The loss of the services of any key employees, and particularly the Company' s Chief Executive Officer, or the failure to attract or retain other qualified personnel could have a material adverse effect on the Company' s business, ability to secure future programs, operating results, financial condition, and cash flow. Work stoppages and similar events could significantly disrupt the Company' 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 the Company' s manufacturing and assembly facilities could have material adverse effects on the business. Similarly, if one or more of the Company' s customers were to experience a work stoppage, that customer would likely halt or limit purchases of the Company' s products, which could result in the shutdown of the related manufacturing facilities. A significant disruption in the supply of a key component due to a work stoppage at any of the Company' s suppliers or sub- suppliers, or reduced orders from the Company' s customers as a result of work stoppages, could have a material adverse effect on the Company' s business, operating results, financial condition, and cash flow. Industry and Competition Related Risk Factors The Company may not realize sales represented by awarded business The Company estimates awarded business using certain assumptions, including projected future sales volumes based on data from OEM customers and industry benchmarks. The OEM customers do not generally guarantee production volumes. In addition, awarded business may include business under arrangements that OEM customers have the right to terminate, at any time, without penalty. Therefore, the Company' s actual sales volumes, and thus the ultimate amount of revenue that it derives from such sales, are not guaranteed. If actual production orders from its customers are not consistent with the projections used by the Company in calculating the amount of its awarded business, the Company could realize substantially less revenue over the life of these projects than the projected estimate. The Company must continue to develop, introduce, and achieve market acceptance of new and enhanced products in order to grow its sales in the future The growth of the Company' s business will be dependent on the demand for innovative automotive electronics products, including but not limited to electrification, advanced driver assistance, semi- autonomous and autonomous vehicle technologies. In order to increase sales in current markets and gain entry into new markets, the Company must innovate to maintain and improve existing products, including software, while successfully developing and introducing distinctive new and enhanced products that anticipate changing customer and consumer preferences and capitalize upon emerging software technologies. However Artificial Intelligence (“ A. I ”) will continue to play an increasing role in the Company' s products generating opportunities but also risk that the Company' s products may be developed more cheaply with A. I. solutions or that competitor' s A. I. offerings may be preferred over the Company' s product offerings. In addition, the Company may experience difficulties that delay or prevent the development, introduction, or market acceptance of its new or enhanced products. Furthermore, these the new technologies, including A. I., have also attracted increased competition from outside the traditional automotive industry, and any of these competitors may develop and introduce technologies that gain greater

customer or consumer acceptance, which could have a material adverse effect on the future growth of the Company. The automotive industry is cyclical and significant declines in the production levels of the Company's major customers could reduce the Company's sales and harm its profitability. Demand for the Company's products is directly related to the automotive vehicle production of the Company's major customers. Automotive sales and production are cyclical and can be affected by general economic or industry conditions, labor relations issues, fuel prices, regulatory requirements, government initiatives, trade agreements, the cost and availability of credit, and other factors. Due to overall global economic conditions, including semiconductor shortages and supply chain disruptions, the automotive industry experienced constrained production schedules in recent years. Such shortages and constrained production schedules had and may in the future have a material adverse effect on the Company's business, profitability, financial condition and results of operations. The discontinuation or loss of business, or lack of commercial success, with respect to a particular product for which the Company is a significant supplier could reduce the Company's sales and harm its profitability. Although the Company has purchase orders from many of its customers, these purchase orders generally 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, certain customers have communicated an intent to manufacture components internally that are currently produced by outside suppliers, such as the Company. If the Company's OEM customers successfully insource products currently manufactured by the Company the discontinuation or loss of business for products which the Company is a significant supplier could reduce the Company's sales and harm the Company's profitability. Price pressures from customers may adversely affect the Company's business. Downward pricing pressures by automotive OEMs, while characteristic of the automotive industry, are increasing. Virtually all automakers have implemented aggressive price-reduction initiatives and objectives each year with their suppliers, and such actions are expected to continue in the future. In addition, estimating such amounts is subject to risk and uncertainties because any price reductions are a result of negotiations and other factors. Accordingly, suppliers must be able to reduce their operating costs in order to maintain profitability. Price reductions have impacted the Company's sales and profit margins and are expected to continue to do so in the future. If the Company is unable to offset customer price reductions in the future through improved operating efficiencies, new manufacturing processes, sourcing alternatives, and other cost-reduction initiatives, the Company's business, operating results, financial condition, and cash flow could be adversely affected. The Company is highly dependent on Ford Motor Company and decreases in this customer's vehicle production volumes would adversely affect the Company. Ford is one of and General Motors are the Company's largest ultimate customers as a percentage and accounted for 22% of sales for each of the years 2023, 2022 and 2021, respectively. Accordingly, any change in Ford or General Motors' vehicle production volumes may have a significant impact on the Company's sales volume and profitability. See Note 18, "Financial Instruments" in Part II, Item 8 of this Annual Report on Form 10-K for more information. The Company's pension expense and funding levels of pension plans could materially deteriorate, or the Company may be unable to generate sufficient excess cash flow to meet increased pension benefit obligations. The Company's assumptions used to calculate pension obligations as of the annual measurement date directly impact the expense to be recognized in future periods. While the Company's management believes that these assumptions are appropriate, significant differences in actual experience or significant changes in these assumptions may materially affect the Company's pension obligations and future expense. For more information on sensitivities to changing assumptions, please see "Critical Accounting Estimates" in Item 7 and Note 12, "Employee Benefit Plans" in Part II, Item 8 of this Annual Report on Form 10-K.

Product Related Risk Factors The Company's inability to effectively manage the timing, quality, and costs of new program launches could adversely affect its financial performance. In connection with the award of new business, the Company often obligates itself to deliver new products and services that are subject to its customers' timing, performance, and quality standards. Additionally, as a Tier 1 supplier, the Company must effectively coordinate the activities of numerous suppliers in order to launch programs successfully. Given the complexity of new program launches, especially involving new and innovative technologies, the Company may experience difficulties managing timeliness and detecting undiscovered software errors, bugs, and other defects in its products which may injure the Company's reputation. In addition, new program launches require a significant ramp up of costs; however, the sales related to these new programs generally are dependent upon the timing and success of the introduction of new vehicles by the Company's customers. The Company's inability to effectively manage the timing, quality, and costs of these new program launches could have a material adverse effect on its business, operating results, financial condition, and cash flow. Warranty claims, product liability claims, and product recalls could adversely affect the Company. The Company faces the inherent business risk of exposure to warranty and product liability claims in the event that its products fail to perform as expected or such failure results, or is alleged to result, in bodily injury or property damage (or both). In addition, if any of the Company's supplied products are defective or are alleged to be defective, the Company may be required to participate in a recall campaign. **The introduction of new and complex technologies, such as A. I. features, can increase these and other safety risks, including exposing users to harmful, inaccurate or other negative content and experiences.** The Company's products contain increasingly significant amounts of software and a successful cyberattack on such products could cause materially adverse effects on the Company's business, operating results, financial condition, cash flow, and reputation. In addition, as the Company expands its electrification product offering, including its battery management systems, such products will present a different warranty and product liability risk profile. As suppliers become more integrally involved in the vehicle design process and assume more of the vehicle assembly functions, automakers are increasingly expecting them to warrant their products and are increasingly looking to suppliers for contributions when faced with product liability claims or recalls. A successful warranty or product liability claim against the Company, or a requirement that the Company participate in a product recall campaign, could have materially adverse effects on the Company's business, operating results, financial condition, and cash flow. Developments or assertions by or against the Company relating to intellectual property rights could materially impact its

business The Company owns significant intellectual property, including a number of patents, trademarks, copyrights, and trade secrets and is involved in numerous licensing arrangements. The Company's intellectual property plays an important role in maintaining its competitive position in a number of the markets served. The Company may directly or through a supplied component utilize intellectual property in its products that requires a license from a third- party. While the Company believes that such licenses generally can be obtained by the Company, or supplier if a supplied component, **there is we may no not assurance that be able to obtain** the necessary licenses ~~can be obtained~~ on commercially acceptable terms or at all. Failure by the Company or its suppliers to obtain the right to use third- party intellectual property could preclude the Company from selling certain products, and developments or assertions by or against the Company relating to intellectual property rights, could have materially adverse effects on the Company's business, operating results, financial condition, and cash flow. The Company also derives significant revenue from countries outside the U. S. (including China) and significant intellectual property assets are licensed to joint ventures and customers in foreign jurisdictions. If a material intellectual property theft or forced transfer were to occur, it could materially and adversely affect the Company's business, operating results, financial condition, and cash flow. In addition, the Company has continued to see an increase in patent claims related to connectivity- enabled products where other patent- holding companies are seeking royalties and often enter into litigation based on patent infringement allegations. Significant technological developments by others also could materially and adversely affect the Company's business, operating results, financial condition, and cash flow. Advances in ~~AI~~ **A. I.** technology may generate developments against which existing intellectual property laws may not adequately protect and which may also give rise to a proliferation of infringement which we may not be able to address effectively. Privacy and security concerns (including ~~cyber security~~ **cybersecurity**) relating to the Company's current or future products and services could have a material adverse impact on our business, damage its reputation and deter current and potential users from using them The Company's products and services contain digital technology designed to support connected vehicles, and for some products may also collect and store sensitive end- user data (that may include personally identifiable information). Despite the security and risk- prevention measures the Company has implemented, including related to cybersecurity, our products or services could be breached, damaged, taken over, or otherwise interrupted by a system failure, cyberattack, malicious computer software (including malware or ransomware), unauthorized physical or electronic access, or other natural or man- made incidents or disasters. Failure of the Company's products or services to effectively protect against these vulnerabilities can damage its reputation and adversely affect its operating results. Further, through our products or services, the Company may gain access to sensitive, confidential, or personal data or information that is subject to privacy and security laws, regulations, and customer- imposed controls. Concerns about the Company's practices with regard to the collection, use, disclosure, or security of personal information or other privacy related matters, even if unfounded, could damage its reputation and adversely affect its operating results. Regulatory authorities around the world are considering a number of legislative and regulatory proposals concerning cybersecurity and data protection. In addition, the interpretation and application of consumer and data protection laws in the U. S., Europe, and elsewhere are often uncertain and in flux. Complying with these various laws could cause the Company to incur substantial costs. Tax Related Risk Factors The Company's expected annual effective tax rate could be volatile and could materially change as a result of changes in mix of earnings and other factors, including changes in tax laws and tax audits We are subject to income taxes in the U. S. and various international jurisdictions. Changes in tax rates or tax laws by U. S. and international jurisdictions and tax audits could adversely impact Visteon's financial results. The Company is in a position whereby losses incurred in certain tax jurisdictions generally provide no current financial statement benefit. In addition, certain jurisdictions have statutory rates greater than or less than the ~~United States~~ **U. S.** statutory rate. As such, changes in the mix and source of earnings between jurisdictions, including changes in tax rates in those jurisdictions, could have a significant impact on the Company's overall effective tax rate in future periods. Additionally, in the ordinary course of business, we are subject to examinations by various tax authorities. Tax authorities in various jurisdictions could also open new examinations and expand existing examinations for which the outcomes cannot be predicted with certainty. Furthermore, changes in U. S. or foreign tax laws and regulations, or their interpretation and application, could also have a significant impact on the Company's overall effective rate in future periods. For example, the Organization for Economic Cooperation and Development (~~the~~ " OECD"), the European Union, and **several** other countries (~~including countries in which the those where our~~ Company operates), ~~have committed to enacting substantial changes to numerous long- standing tax principles impacting how large multinational enterprises are taxed. In particular, the OECD's Pillar Two initiative introduces introduced~~ a 15 % global minimum tax ~~applied~~ on a country- by- country basis, **with and for which many jurisdictions committing have now committed** to an effective enactment date ~~starting of~~ January 1, 2024. ~~The Although it is uncertain if the U. S. will adopt Pillar Two, many jurisdictions are updating their tax laws based on this framework. As we evaluate the impact of these legislative potential new rules as well as any other changes in domestic with the release of additional guidance, uncertainty remains about the timing and international interpretation by tax rules and authorities in affected regulations ---- regions could have a material effect. While the estimated impact on our 2024 the Company's overall effective tax rate is not material, these changes could negatively affect our effective tax rate, tax liabilities, and cash taxes in future years~~. The Company may not be able to fully utilize its U. S. net operating losses and other tax attributes The Company has net operating losses (" NOLs") and other tax attributes which could be limited if there is a subsequent change of ownership. If the Company were to have a change of ownership within the meaning of IRC Sections 382 and 383, its NOLs and other tax attributes could be limited to an amount equal to its market capitalization at the time of the ownership change multiplied by the federal long- term tax exempt ~~rate~~. The Company cannot provide any assurance that such an ownership change will not occur, in which case the availability of the Company's NOLs and other tax attributes could be significantly limited or possibly eliminated. Certain tax benefit preservation provisions of its corporate documents could delay or prevent a change of control, even if that change would be beneficial to stockholders. Market Related Risk Factors The Company is subject to significant foreign currency risks and foreign exchange exposure As a result of Visteon's global presence, a significant

portion of the Company's revenues and expenses are denominated in currencies other than the U. S. dollar. The Company is therefore subject to foreign currency risks and foreign exchange exposure. The Company's primary exposures are to the ~~euro~~ **Brazilian real, British pound, Bulgarian Lev**, Chinese renminbi, ~~Brazilian real~~ **euro, Indian rupee, Japanese yen, Korean won**, Mexican peso, ~~and Thai bhat, Indian rupee, and Japanese yen~~. Volatility in certain exchange rates could adversely impact Visteon's financial results and comparability of results from period to period. General Risk Factors A disruption to the Company's infrastructure of information technology systems, or those of our customers, suppliers, sub-suppliers, partners, service providers or other contract parties, including because of cyberattack, could adversely affect its business and financial performance The Company relies on the accuracy, capacity, and security of its infrastructure and information technology systems to conduct its business. The Company's systems have in the past and could in the future be breached, damaged, taken over, or otherwise interrupted by a system failure, cyberattack, malicious computer software (including malware or ransomware), unauthorized physical or electronic access, or other natural or man-made incidents or disasters. For example, on July 3, 2023, the Company experienced a disruption of certain IT services and assets at its third-party data center provider that resulted in some IT services experiencing interruptions and loss of data **and on December 15, 2024 several servers at a single plant in China were encrypted but the Company's response plans including back-up restoration negated any material impact to the Company**. These **types of** events have occurred with more frequency within our industry and are expected to continue (and possibly increase) moving forward. Any of these events could result in, amongst other things, the following to the Company or its customers, suppliers, sub-suppliers, or other contract parties: (i) a business disruption, including plant operations, (ii) theft of intellectual property, including trade secrets, or (iii) unauthorized access to personal information, including employee or end consumer personal information. Although the Company has placed a high priority on cybersecurity and continues to enhance (through investments) our controls, processes and practices designed to protect our operational systems and products from a breach, the ~~company~~ **Company's** actions may not be quick enough to fully protect our operational systems and products against all vulnerabilities, including technologies developed to bypass our security measures. In addition, the company's employees or customers may accidentally provide their access credentials or other sensitive information to bad actors who could gain access to our secure systems and networks. Nothing ensures that the ~~company~~ **Company's** actions or investments to improve its systems, products, processes and risk management framework or remediate vulnerabilities will be sufficient or deployed quickly enough to prevent or limit the impact of any breach. Undetected or unrecognized breaches also create a risk to the Company since it takes time to first discover the breach and then patch the vulnerability. The Company also cannot anticipate all the various methods of attacks and have defenses prepared in advance against these types of attacks, and it cannot predict the extent, frequency or impact these attacks may have. To the extent a breach occurs as noted above, or data is lost, destroyed, or inappropriately used or disclosed, such disruptions could lead to legal claims against the Company and adversely affect the Company's competitive position, reputation, relationships with customers, financial condition, operating results, and cash flows and / or subject us to regulatory actions, including those contemplated by data privacy laws and regulations. Moreover, the Company may be required to incur significant costs to protect against the damage caused by these disruptions or security breaches in the future. The Company is also dependent on the security measures implemented by our customers, suppliers, and other third-party service providers to protect their own systems, infrastructures, and products. A breach that impacts any of these third-parties' systems could result in unauthorized access to the Company's or its customers' or suppliers' sensitive data or the Company's own information technology systems. It could also cause the Company to be non-compliant with applicable laws, subject us to legal claims, disrupt our operations, damage our reputation, or cause a loss of confidence in our products or services, any of which could adversely affect our financial condition, operating results, or cash flow **. In addition, if the content, analyses, or recommendations that A. I. programs assist in producing are or are alleged to be deficient, inaccurate, or biased, then the Company's business, financial condition, and results of operations and our reputation may be adversely affected**. The Company is involved from time to time in legal proceedings and commercial or contractual disputes, which could have an adverse effect on the Company The Company is involved in legal proceedings and commercial or contractual disputes that, from time to time, are significant. These are typically claims that arise in the normal course of business including, without limitation, commercial or contractual disputes (including disputes with suppliers), intellectual property matters, personal injury claims, and employment matters. **Adverse results of** ~~No assurances can be given that~~ such proceedings and claims ~~may will not~~ have a material adverse impact on the Company's profitability and financial position. Climate change, climate change regulations, and greenhouse gas effects could adversely impact the Company's operations and markets Increased attention to climate change and its association with greenhouse gas emissions, expectations for companies to establish short and long-term emissions reduction targets, and changes in consumer preferences may result in increased costs, reduced profits, risks associated with new regulatory requirements, and the potential for increased litigation and governmental investigations. The U. S. federal government, certain U. S. states, and certain other countries and regions have adopted or are considering legislation or regulation imposing overall caps or taxes on greenhouse gas emissions from certain sectors including automotive. Failure to comply with any legislation or regulation could result in substantial fines, criminal sanctions, or operational changes. Moreover, even without such legislation or regulation, increased awareness of, or any adverse publicity regarding, the effects of greenhouse gases could harm the Company's reputation or reduce customer demand for its products and services. Automakers have also started implementing climate-related initiatives and objectives each year with their suppliers, and such actions are expected to continue in the future. If the Company is unable to meet these new requirements in the future through improved operating efficiencies, new manufacturing processes, sourcing alternatives, and other sustainability initiatives, the Company's business could be adversely affected. Additionally, as severe weather events become increasingly common, operations of the Company, its customers, and / or suppliers may be disrupted, which could result in increased operational costs or reduced demand for products and services. Natural disasters could cause disruption to the Company's ability to serve its customers and communities in times of need and extended periods of disruption could have an adverse effect

on its results of operations.