



2021

CORPORATE SOCIAL
RESPONSIBILITY REPORT

Powered By
Our Diversity,
We Lead The Way
The World Moves

2021

CSR REPORT

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MESSAGE FROM CHAIRMAN & CEO

MESSAGE FROM THE CHAIRMAN

When I wrote to you a year ago, Stellantis was on the starting line, ready to begin a new and exciting journey defined by truly innovative mobility services.

We were still deep in the challenges created by the pandemic and the resulting global shutdown, but we began to take the lead in shaping the future.

First, at our EV Day and then at our Software Day we lifted the veil on the extent of our ambitions across our 14 brands and the 100 products they represent. We took brave, forward-looking actions to spark additional growth, beginning the process of building an innovative ecosystem with leading partners.

And thanks to the incredible resilience and passion of our people – the 300,000 women and men of Stellantis, representing 170 nationalities across 130 countries – I can say with confidence that we have emerged even stronger from this challenging first year.

Throughout, our leadership team has remained focused on our operations and continued to invest in technology, innovative thinking and quality right across our Company.

Our strategy is clear: offering the very best products to our customers while shaping a 21st century organization that while maintaining the focus on our success in the market strives just as hard to protect and enhance our communities and our planet.

As we now move into our second year, we hit the road with confidence, conscious that the future will be shaped by the clarity and courage of our choices.

And as we do, my thanks go to you dear shareholders for your continuing and precious support.

February 25, 2022

/s/

John Elkann.
Chairman

MESSAGE FROM THE CEO

This annual report begins with a “thank you.” It has been an exceptionally challenging year for everyone at Stellantis. Yet despite all the disruption that the pandemic has taken on us, in 2021 we have built our foundation and set the course for our transformation into a sustainable mobility tech company.

Powered by our diversity, we’ve stayed true to our purpose of providing customers with sustainable and affordable solutions that will change the way the world moves.

We have done so alongside all the demands of these difficult 12 months, while achieving record financial results.

We delivered Pro Forma Net revenues of €152 billion, which is up 14%. We registered a Pro Forma Adjusted operating income that nearly doubled to €18 billion with a 11.8% margin, all segments profitable, and a Pro Forma Net profit from continuing operations of €13.4 billion, which is nearly tripled year-on-year.

Everyone involved, in each part of the business, deserves my gratitude.

Building a financially sound Company is a significant milestone along our journey. It’s not the only one though.

In 2021, we defined our Purpose and Values, pledging to care for the planet, our employees and the communities in which we operate. We planned investments of more than €30 billion through 2025 to execute our electrification and software strategies, launching in the meantime more than 10 new products. We built

partnerships with game-changing partners to drive top-line growth in the coming years.

These actions give us the platform to go on with our transformation of the business, following an ambitious strategy that will drive sustainable growth and ensure the future of Stellantis.

We will continue to build on the quality of our products and services, relying on the global strength of our brands.

We will keep championing progress, competing with tech players on software and services, offer new and more integrated technology-led solutions to our customers, and to create value for all our stakeholders.

We will continue to learn, adapt, and execute, as the next phase of the journey will not be any easier.

During the last year, we relied on an unbreakable team spirit.

I would like to thank every colleague across all the regions, brands and functions for their extraordinary efforts. The customer-centric mindset and the capacity to be agile and innovative are reflected in our strong performance.

Finally, I am grateful to our shareholders for supporting Stellantis through this challenging first year.

A bright future is ahead of us. We will shape it together.

February 25, 2022

/s/

Carlos Tavares
Chief Executive Officer

BUSINESS MODEL AND GOVERNANCE: CREATING SHARED AND LASTING VALUE

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1.1 VALUE CREATION MODEL



1.1.1 BUSINESS MODEL

A Leader for a New Era of Mobility



Stellantis N.V was formed on the basis of a cross-border merger between Fiat Chrysler Automobiles and Groupe PSA, and approved by the shareholders of the former two companies on January 4, 2021.

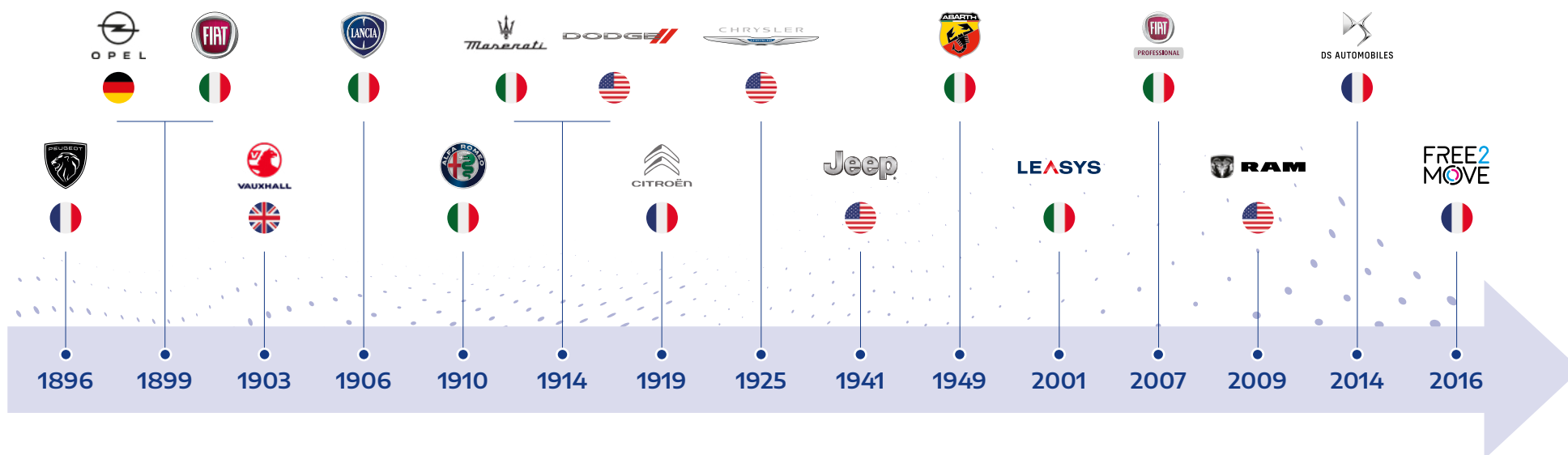
Stellantis is a leading global mobility player guided by a clear mission: to provide freedom of movement for all through distinctive, appealing, affordable and sustainable mobility solutions.

Our multinational automotive manufacturing Company is headquartered in Amsterdam, Netherlands, and is comprised of two hundred-year-old groups, establishing a leading automotive mobility provider in a context of deep industrial transformation.

Stellantis is listed on Milan's Borsa Italiana, on Euronext Paris and on the New York Stock Exchange. Our principal activity is the design, development, manufacture and sale of automobiles bearing the Abarth, Alfa Romeo, Chrysler, Citroën, Dodge, DS Automobiles, Fiat, Jeep, Lancia, Maserati, Opel, Peugeot, Ram and Vauxhall brands. Stellantis also develops and offers customers new mobility services with Free2move and Leasys.

A STRONG AND DIVERSE PORTFOLIO OF ICONIC BRANDS

Well-established automotive, mobility and parts and services brands with strong roots



We offer vehicle choices from luxury, premium and mainstream passenger vehicles to pickup trucks, SUVs and light commercial vehicles, as well as dedicated mobility, financial, parts and service brands.

In this new era of mobility, our portfolio of brands is uniquely positioned to offer distinctive and sustainable solutions to meet the evolving needs of customers, as they embrace electrification, connectivity, autonomous driving and shared ownership.

Our electrification and software strategies will support the shift to become a sustainable mobility tech company, leveraging the associated business growth with over-the-air features and services, and working to deliver the best experience to our customers.

Stellantis has operations in 37 countries around the world and a commercial presence in 130 markets which is a strong asset for understanding and anticipating the upcoming changes of customer expectations while creating value for all stakeholders. This CSR Report highlights, among other things, expected impacts of electrification and software strategies on Stellantis business model and activities.

COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



Stellantis is shifting its business model to become a mobility tech company. It aims to grow its software and connected services business through:

- Services and Subscriptions;
- Features On Demand;
- Data as a Service and Fleet Services;
- Conquests, Service Retention and Cross-Selling.

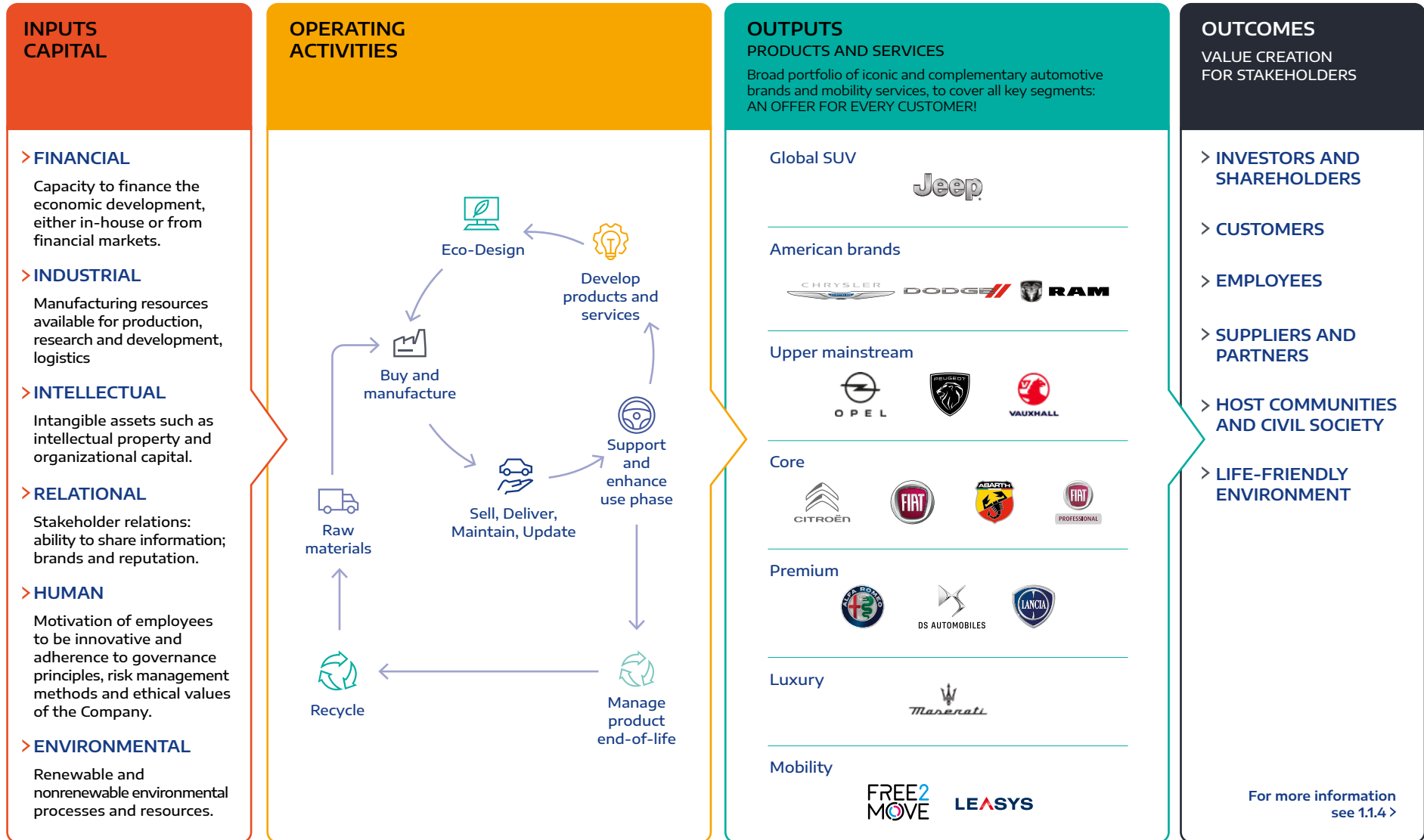
In addition, this software strategy is expected to support vehicle pricing and resale value.

At the end of 2021, Stellantis has 12 million monetizable (i.e. vehicle's first five years of life) connected vehicles globally. By 2026, this is expected to grow to 26 million vehicles and generate approximately €4 billion in revenues. By 2030, it is expected to reach 34 million vehicles and approximately €20 billion in annual revenues.

Through software and on-demand features, Stellantis will work to provide customers with the ability to tailor their vehicles to individual needs and desires through over-the-air updates, further increasing the unique qualities of the varied brands within Stellantis and strengthening the bond between the vehicle and driver.

In 2021, Stellantis has delivered more than six million over-the-air updates to its vehicles and intends to offer at least quarterly releases by 2026.

A LEADER FOR NEW ERA MOBILITY



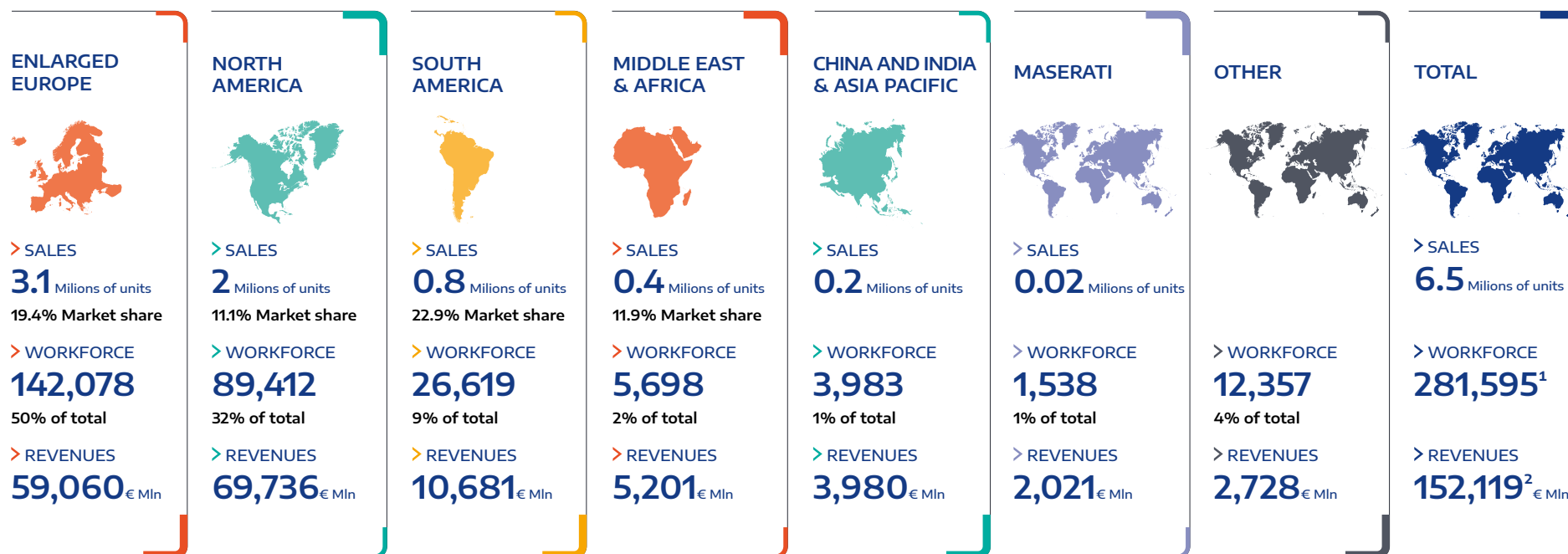
To increase the positive impacts and reduce the negative consequences of our activities throughout the value chain, Stellantis takes specific actions that are designed to maintain or develop the Company’s environmental, relational, financial, human, industrial and intellectual capital.

These efforts result in the value that the Company shares with its stakeholders. As a member of the Global Compact, Stellantis supports the United Nations Sustainable Development Goals: we responsibly contribute to the global effort to transition to a more sustainable future.

1.1.2 KEY FIGURES

GRI 102-4 GRI 102-6 SASB-000.B

A COMPLEMENTARY PRESENCE IN KEY REGIONS, WITH 3 PLILLARS: EUROPE, USA, LATIN AMERICA



Net revenues and sales are Pro Forma and are presented as if the merger was completed on January 1, 2020.

¹ Includes 2,101 employees representing 0.7% of the total headcount, even if they belong to legal entities that are not managed within the HR consolidation tool that are not considered in other workforce KPIs.

² (€ 1,288) million Unallocated items and eliminations which primarily includes intercompany transactions which are eliminated on consolidation

1.1.3 STAKEHOLDER DIALOGUE FOR A BETTER MUTUAL UNDERSTANDING WITH SOCIETY

GRI 102-21 GRI 102-40 GRI 102-42 GRI 102-44

Stellantis activities have an impact on the perception and the decisions of many internal and external stakeholders.

The Company has identified its main stakeholder categories and has engaged with them in ongoing dialogue through dedicated channels (refer to the following table).

Through effective dialogue with its stakeholders at the local and global levels, Stellantis works to ensure that:

- there are opportunities to gain mutual understanding with the society and its constituents;
- the most material environmental, social or economic risks are identified and addressed and better prevention measures are taken;
- actions are taken to reduce the negative effects of the Company's operations and to develop opportunities for value-creation;
- the Company remains attentive to sociological and technological changes;
- the Company is able to adapt its business model and propose new efficient solutions that meet changing expectations and needs of the society.

Stakeholder Groups	Stakeholder Categories	Means of Dialogue	Main Topics
Clients >>>	Private customers, consumer groups and other road users organizations	<ul style="list-style-type: none"> ▪ Brand websites ▪ Dealership networks ▪ Customer Relations teams ▪ Consultation with consumer panels ▪ Customer satisfaction surveys and market research ▪ Company's social media 	<ul style="list-style-type: none"> ▪ Quality of products and service ▪ Environmental performance of vehicles ▪ Road safety ▪ Sustainable mobility
	BtoB clients including dealership network	<ul style="list-style-type: none"> ▪ Fleet sale team: direct engagement and participation in tenders ▪ Training on sales and marketing ▪ Analysis of periodic customer satisfaction surveys ▪ Monitoring of financial performance and forecasts ▪ Analysis of all types of risks (including ethical) before contracts are signed 	<ul style="list-style-type: none"> ▪ Financial and strategic performance ▪ Quality of products, service and customer satisfaction ▪ Environmental performance of vehicles and manufacturing facilities ▪ Sustainable mobility

Stakeholder Groups	Stakeholder Categories	Means of Dialogue	Main Topics
Employees >>>	Employees	<ul style="list-style-type: none"> ▪ Internal communication (town halls, newsletters, employee portal, events, awareness campaigns, etc.) ▪ Direct dialog with management ▪ Suggestion collection processes ▪ Periodic satisfaction surveys ▪ Training 	<ul style="list-style-type: none"> ▪ Strategy, specifically decarbonization, economic and commercial results ▪ Market conditions ▪ Workforce related topics such as diversity, learning, health and safety... ▪ Company transformation, impact on skills, new ways of working ▪ Career path
	Employee and labor union representatives	<ul style="list-style-type: none"> ▪ The Global Works Council ▪ The Joint Union-Management Strategy Committee ▪ Collective bargaining agreements and employee relations agreements with labor unions 	<ul style="list-style-type: none"> ▪ Strategy, notably decarbonization, economic and commercial results ▪ Market contexts ▪ Workforce related topics such as diversity, learning, health and safety ▪ Company transformation, impact on skills, new ways of working
Financial Community >>>	Shareholders and other investors	<ul style="list-style-type: none"> ▪ Letter to shareholders ▪ CSR Report and Annual Report ▪ Corporate website ▪ Annual and quarterly financial results ▪ Shareholders' Annual General Meeting ▪ Investor meetings (including online events on strategy) 	<ul style="list-style-type: none"> ▪ Financial and CSR performance ▪ Strategy, results and forecasts
	Financial and SRI analysts	<ul style="list-style-type: none"> ▪ CSR Report and Annual Report ▪ Corporate website ▪ Annual and quarterly financial results ▪ Conferences presenting the company's strategy (roadshows) ▪ Responses to questionnaires and requests ▪ Discussion sessions 	<ul style="list-style-type: none"> ▪ Financial and CSR performance ▪ Strategy, results and forecasts
Partners >>>	Suppliers, partners in cooperation and innovation projects and joint ventures, industry associations	<ul style="list-style-type: none"> ▪ Monthly meetings ▪ Innovation days ▪ Supplier awards ▪ Suppliers' convention ▪ Products/projects meetings ▪ Presence of the Company's delegates in regional automotive industry bodies and trade associations ▪ Supplier relations teams ▪ CSR self-assessment questionnaires ▪ Responsible Purchasing Guidelines ▪ Analysis of all types of risks (including ethical) before a contract is signed ▪ Sustainability clauses in contracts ▪ Joint development programs 	<ul style="list-style-type: none"> ▪ Company's projects for products and industrial initiatives ▪ Innovation strategy and plan ▪ Financial and CSR performance in the supply chain, and other measures to support the company's strategy

Stakeholder Groups	Stakeholder Categories	Means of Dialogue	Main Topics
Civil Society >>>	Associations and NGOs	<ul style="list-style-type: none"> ▪ CSR Report and Annual Report ▪ The Company's social media ▪ Meetings ▪ Responses to ad hoc requests ▪ Charitable giving 	<ul style="list-style-type: none"> ▪ Road safety ▪ Human rights in the supply chain ▪ Environmental impact of activities across value chain ▪ Education and inclusion
	Representatives of host communities, including local administrations	<ul style="list-style-type: none"> ▪ Events (open days and facilities visits) ▪ Meetings and discussions 	<ul style="list-style-type: none"> ▪ Economic and social development in host communities ▪ Environmental impacts near Stellantis facilities
	Research and teaching partners; including universities and schools	<ul style="list-style-type: none"> ▪ Intern and apprenticeship programs ▪ Laboratory space for doctoral/thesis students ▪ Open Labs ▪ Chairs at universities, engineering schools and business schools in host countries ▪ Awareness campaigns, sites visits and educational events held by the company's facilities with local schools 	<ul style="list-style-type: none"> ▪ Innovations on sustainable mobility and related topics (e.g. materials)
	Public institutions, including Governments, public agencies and regulatory bodies	<ul style="list-style-type: none"> ▪ Direct dialogue through ad hoc meetings and institutional channels ▪ Participation in working groups and collaborative projects 	<ul style="list-style-type: none"> ▪ Financial and CSR performance ▪ Strategy, results and forecasts ▪ Product launches ▪ Investments in plants and technological development ▪ Social impacts of the transformation of the automotive sector
	Journalists and Media	<ul style="list-style-type: none"> ▪ Direct dialogue ▪ Press releases ▪ Presentations and press conferences ▪ Auto Shows ▪ Corporate and brand websites and social media 	<ul style="list-style-type: none"> ▪ Financial and CSR performance ▪ Strategy, results and forecasts ▪ Product launches ▪ Investments in plants and technological development ▪ social impacts of the transformation of the automotive sector
Life-Friendly Environment Groups >>>	Associations and NGOs	<ul style="list-style-type: none"> ▪ CSR Report and Annual Report ▪ Social media ▪ Meetings ▪ Responses to ad hoc requests ▪ Joint development programs and protocols 	<ul style="list-style-type: none"> ▪ Climate strategy ▪ Real-driving emissions ▪ Circular economy ▪ Environmental impacts of activities

1.1.4 SHARED VALUE FOR STAKEHOLDERS AND CONTRIBUTION TO SDGS

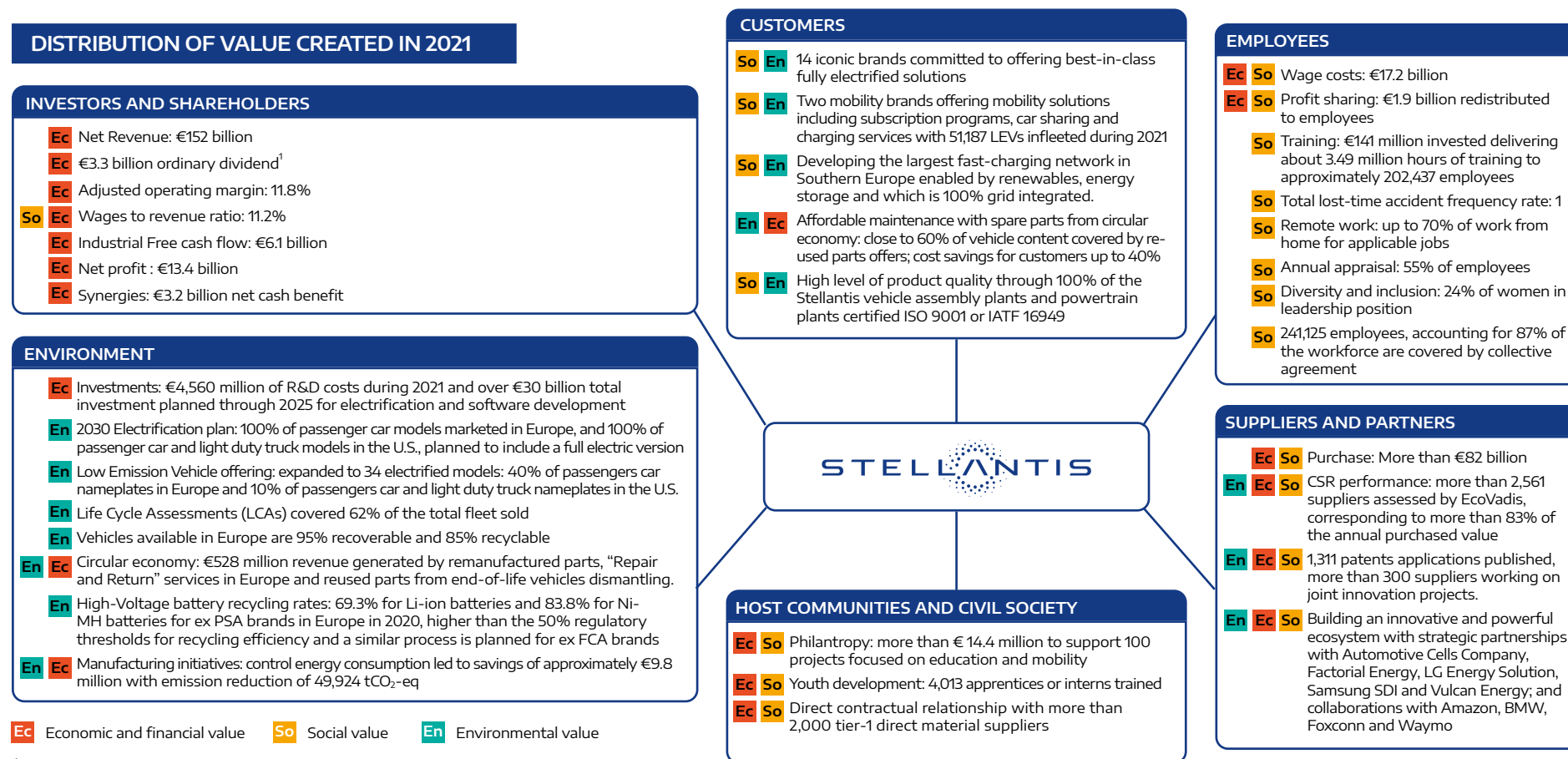
GRI 201-1 | GRI 201-2 | GRI 203-1 | GRI 203-2

Creating shared and lasting value for our stakeholders

We acknowledge that long-term success is achieved by linking economic growth with respect, financial performance with social responsibility, and industrial development with environmental stewardship.

To create and share value, we engage our stakeholders: our employees, our customers, our partners, our suppliers, our host territories and their communities, our investors and the environment through dialogue and activities.

As a leading company and member of the Global Compact, we are committed to shaping a better future through a strong sense of responsibility and leadership in a new era of sustainable mobility. The 2030 United Nations Sustainable Development Goals are a framework for our actions in the transition to a more sustainable future.



1.1.4.1 Value created for Stellantis long-term investors

Responsible business conduct is key to secure long-term financial performance.

This long-term performance is essentially based on a stable and balanced capital structure that supports the rollout of strategic projects and a robust strategic plan, designed to meet the mobility needs of our customers.

Our strategy is supported by a strong core technology portfolio that will support Stellantis with its target to be among the best-in-class players, with the potential of setting a new benchmark in the industry and we will offer over-the-air-updates throughout the life of the vehicle, as software transformation is an important part of our EV transition.

We developed a comprehensive strategy centered around flexibility in order to extend the life of vehicle platforms well into the next decade. It includes the following targets:

- **an electric product offensive** supported by plans to invest more than €30 billion through 2025 in electrification and software development, including equity investments made in joint ventures to fund their activities, while targeting to continue to be 30 percent more efficient than the industry with respect to total Capex and research and development spend versus revenues. Stellantis will notably utilize three different Electric Drive Modules adaptable to all our platforms, covering all vehicles worldwide and sharing a high level of commonality, in order to optimize the overall cost efficiency by reducing complexity, eliminating duplications and improving development efficiency. Each of our four platforms will be designed to allow the production of up to up to two million units units per year. This will guarantee a critical size for optimized investments and competitive unit cost. This is a key success factor for our value optimization. Stellantis announced on July 8, 2021 it will target over 70% of sales in Europe and over 40% in the United States to be low emission vehicles (LEVs) by 2030. To support this ambition, the Company will work to develop a global EV battery sourcing strategy of over 260GWh by 2030, with up to five “gigafactories” between Europe and North America. Battery packs will be tailored for a variety of vehicles – from smaller city cars to energy-dense packs for performance vehicles and trucks. The plan also includes the use of two battery chemistries by 2024 to support various customer needs: a high energy-density option and a nickel cobalt-free alternative. By 2026, the first competitive solid state battery technology is targeted to be introduced;
- **the execution of the synergy opportunities** arising from the formation of Stellantis, with a forecast of annual cash synergies of more than €5 billion at steady state, the roadmap of battery cost reductions, and the continued optimization

of distribution and production costs and realization of new revenue streams, in particular from connected services and future software business models;

- **the vertical integration** from the pack down to the cell design to get all the benefits from the chemistry active materials that are so useful and precious. Our partnership with Total Saft, the joint venture (JV) Automotive Cell Company (ACC), and sustainable businesses with the most competitive cell suppliers are expected to allow us to save more than 40% cost in 2024 vs. 2020 at module level through: module simplification, cell size increase, chemistry upgrade;
- **the development of offers and services in response to the new mobility needs** of customers, in areas such as used vehicles, leasing, aftersales service and shared mobility;
- **a software strategy** to deploy next-generation tech platforms, building on existing connected vehicle capabilities to transform how customers interact with their vehicles, aiming to generate approximately €20 billion in incremental annual revenue by 2030. A non-binding memorandum of understanding signed with Foxconn aimed at designing a family of purpose-built micro-controllers. Stellantis also continues its dedicated projects with Waymo. As Chrysler Pacifica Hybrids equipped with the Waymo Driver provide thousands of fully autonomous rides in Phoenix, Arizona (U.S.), Stellantis and Waymo have now expanded their partnership to local delivery services. Engineering teams will get their hands on Stellantis prototypes in 2022;
- **the ability to forge partnerships with responsible and innovative companies** (notably startups), committed to tackling climate change, as they are backed by investors who support initiatives for a low-carbon economy;
- **an internal audit and risk management which includes ESG** (environmental, social and governance) risks, so as to reduce uncertainty in the long-term and capitalize on opportunities;
- **a robust compliance and ethics system**, based on the Stellantis Code of Conduct, which strives to ensure the effectiveness of compliance programs in essential areas such as competition, anti-corruption, export control, data privacy and type approval. The system is incorporated into the day-to-day working environment by a network of trained officers responsible for implementing these programs and monitoring their application. Guided by the Company’s Code of Conduct, this system fosters a culture of integrity within Stellantis and is intended to prevent ethical abuses liable to damage our financial position and reputation.

Stellantis long-term performance is also based on a performance shared among all stakeholders through:

- **transparent and effective decision-making processes:** to deploy its strategic plans over the long-term, Stellantis opted for a governance structure based on a Board of Directors¹ which is responsible for the management and strategic direction of the Company and a Top Executive Team to drive all implementation plans;
- **taking into account the interests of stakeholders in strategic or operational decisions:** an ESG Committee at Board level is in charge of monitoring, evaluation and reporting on the sustainable policies and practices, CSR strategy and CSR performance. In addition, responsibility is exercised within all management or executive functions within the Company. Making CSR central to decisions and actions can boost performance, allow our Company to improve its economic and financial efficiency (reducing costs, driving innovation, creating new revenue streams, etc.), safeguard the value of its assets, manage risks more effectively – whether they are environmental, legal, financial, social or reputational – and protect its value and sustainability in the medium to long-term;
- **a compensation policy** for corporate officers and members of the Top Executive Team based on performance and a long-term view of the Company, was approved by the Shareholders’ Meeting;
- **the protection of shareholders’ rights**, including the views of minority shareholders. Shareholders who meet the legal and regulatory requirements may apply to have specific items added to the agenda of the Shareholders meeting by submitting them to the Company’s registered office, as described in the Notice of Meeting. Electronic online voting is in place in accordance with French, Italian and U.S. regulations and practices;
- **fair access to information to allow informed decision-making:** Stellantis exercises its responsibility towards its investors and shareholders aims to provide them with access to key information so they can make fully-informed decisions. Firstly, the fairness of the financial and CSR related data published is certified by third-party auditors. Secondly, Stellantis works to be fair and transparent in providing to all relevant parties with the strategic plan, financial data and CSR commitments and performance, which are intended to show that the long-term risks have been

¹ Board members are selected for their complementary experience and skills, particularly in risk assessment and CSR (for more details, refer to the Stellantis [Annual Report](#)).

properly considered. In addition, Stellantis implements [SASB Transportation](#) standard and commits to implement the recommendations of the [Task Force on Climate-related Financial Disclosures](#);

- **targeting a sustainable double-digit Adjusted Operating Income margins** in the mid-term (~2026).

1.1.4.2 Value created for customers

Stellantis CSR policy makes customers central to the Company’s processes, offering them:

A personalized customer/brand relationship

With a portfolio covering all market segments from luxury premium to mainstream and commercial vehicles, Stellantis brands define actions to provide a unique experience for their customers, based on:

Adrenaline in every ride		Versatility for life's extraordinary journeys	
Best-in-class performance, pure Italian style and sporting legacy		Elegance and temperament	
Perfect adherence to modern and innovative lifestyles		Italian Audacity	
Innovation, efficiency and functionality		Approachability of research and development precision and connected innovations	
Avant-garde spirit and French luxury savoir faire		“Full motion” with a complete mobility offering (cars, scooters, bikes)	
Domestic. Not Domesticated		Hardworking products, infusing them with great looks, refined interiors	
Inclusiveness in a cool, affordable way with optimistic energy		Great design and ingenious technology	

Stellantis&You, retail network owned by Stellantis, won the “User Experience” Grand Prix of Auto-Info magazine in France in December 2021.

Easy and shared mobility through global mobility brands for both B2B and B2C

Mobility transformation is driven by three key trends: electrification of vehicles and alternative powertrains, connected and autonomous vehicles (CAVs) and Mobility-as-a-Service (MaaS). With its Free2Move and Leasys brands, Stellantis offers mobility services to facilitate customer mobility, both for end customers and corporate customers:

- **agility for all users:** Free2move, a mobility tech brand, offers a complete and unique ecosystem for its private and professional customers around the world and specifically in Europe and the U.S.: services are digital and designed to satisfy the needs of each user in large urban centers. The Free2move Mobility Hubs allow users to choose the best mode of transportation, depending on their travel need: car sharing, rental by the minute or up to several months, car with drivers (VTC ride), parking space etc. Free2move has been awarded by Frost & Sullivan as 2021 OEM New Mobility Marketplace Company of the Year, with the platform that enables operators to give end customers a fully integrated experience and freedom to access all transportation modes from a single platform;
- **easy transition to electric mobility:** in addition, to provide a response to its customers in the transition to the use of electric vehicles, Free2move has also developed a range of solutions to remove the main obstacles and support individuals and professionals towards electric mobility (i.e., Charge My Car, All-e and future developments around fast charging and V2G). Solutions that provide end-to-end charging and energy solutions such as 360o charging solutions to simplify private, business and fleet customers charging experience, day-to-day smart charging offers with green energy, and launching a unique fast charging network enabled by renewables, energy storage and 100% grid integrated. Free2Move eSolutions in taking part in this EV fast charging network;
- **simplicity and inclusiveness:** mobility solutions from one minute to a lifetime are offered by Leasys, together with a broad range of services addressing the specific needs of BtoC and BtoB customers. These inclusive solutions make mobility available through subscription programs such as FlexRent, LeasysGo!, the electric car sharing offer and CarCloud which enables access to a multitude of vehicles, including unlimited changes of vehicles from any Leasys Mobility Store within a country. These innovative solutions add to the comprehensive range of short-medium-long term rental products and services that have made Leasys the leader

of the Italian long-term-rental market. Leasys' product development has been awarded the coveted "Product of the Year" award for the last three consecutive years in the Automotive Services (Italy) category. This award, in its 16th edition, was based on the vote of 12,000 Italian consumers who voted, through an online survey carried out by IRI.

Traveling in vehicles designed to meet quality and safety standards

Stellantis products are designed to meet customers' requirements on quality and safety, which cannot be addressed separately given the long lifespan of vehicles:

- **long-lasting quality:** reliability, durability, ability to repair (availability of spare parts), comfort and preserved aspect are major criteria closely monitored in the development process of any new vehicle;
- **safety for all:** Stellantis strives to protect the safety of each individual road user.

The focus is on technologies with a proven ability to make vehicles safer including intrusion prevention and cyber security threats at an affordable cost for the largest number of users. Safety devices prevent accidents, protect people in the event of an accident, alert the emergency services and provide assistance. The acceleration of autonomous vehicle and connected technologies will contribute offering increasing levels of safety, through:

- technology that allows users to stay permanently connected while on the move;
- continued deployment of driving assistance systems (ADAS) foreshadowing the autonomous vehicle.

A Fair Total Cost of Ownership (TCO), based on sustainability and responsibility

- **a TCO** of electric mobility progressively aligned with ICE mobility and supported by **Stellantis software strategy** ∇: the heart of the transformation to customer-centric services is the new electrical/electronic (E/E) and software architecture (named STLA Brain) which will break today's bond between hardware and software generations, enabling software developers to create and update features and services quickly without waiting for a new hardware. These over-the-air updates dramatically reduce costs for both the customers, simplify maintenance for the user and sustain vehicle residual values;

- **Affordable maintenance with spare parts for all budgets in a circular economy mindset:** for customers with older vehicles of all brands, Stellantis offers a service which is based on the Eurorepar range and equipment manufacturer parts. In addition to offering a full range of remanufactured original parts, Stellantis also offers multi-brand re-used parts and a “repair and return” service for automatic gearboxes and complex electronic components. The total range covers close to 60% of vehicle content and allows cost savings for customers up to 40% compared to equivalent original parts. Mopar, Eurorepar, BproAuto, and Bolk brands cover every need. This range allows Stellantis to meet the needs of all of customers regardless of budget. Stellantis replacement parts are available for all markets:
 - Reinsurance: Stellantis original parts;
 - Smart buy: Eurorepar parts, Suppliers’ parts, Remanufactured and “repaired and returned” Stellantis original parts;
 - Best costs: Reused parts, Bolk parts.
- **A responsible approach to maintenance with spare parts verified to boost safety** Due to their strong visual resemblance to branded parts, customers might be misled by counterfeit parts. A poor quality of counterfeit parts can endanger consumer safety. In the automotive field in particular, counterfeit products do not offer guarantees in terms of safety, environmental protection or regulatory requirements. In order to allow customers, after-market and customs networks to authenticate genuine parts, the various brands of Stellantis use a secure label placed on replacement parts packaging.

Assurance for business clients eager to highlight their own commitment to responsible purchasing

EcoVadis, an independent rating agency that specializes in responsible purchasing, has annually recognized former Groupe PSA and FCA brands as performing responsible suppliers. PSA brands even reached a score of 83/100, and were awarded a Platinum medal for their rank in the top 1% of companies in their industry. Stellantis business clients can therefore demonstrate their own commitment to responsible purchasing.

Over the next 3 years we intend to expand our electrification plan for commercial vehicles across all products and all Regions, notably based on an already 100% electrified van range in Europe, and first fuel cell van.

Ability to engage in electric mobility with affordable and desirable mobility devices combined with useful and versatile services

- A full portfolio of products and services able to tackle 360° customer needs in the journey of electro-mobility. We have adopted an uncompromised customer centric approach also in the development of electric offer, which will allow us to meet our customers’ expectations at the best level of performance. Our 4 BEV by-design platforms will bring solutions to what matters most to our customers in the era of electric mobility: range, charging time, price and product variety.
 - All our 14 brands are committed to offering best-in-class fully electrified solutions, delivering BEVs that meet demands of customers, with ranges of 500-800 km/300-500 miles and class-leading fast charging capability of 32 km/20 miles per minute.
 - Customer's first concern is the charging: in partnership with partners, energy suppliers and investors, we will develop a unique Fast Charging Network, to offer the best charging experience to our customers. We will also offer «peace of mind» solutions with Smart Charging Packages («All e»). Our ambition is to provide the best customers experience, whether for private or public charging, for both B2C and B2B usages.
 - Our 4 BEV-by-design platforms provide affordability to all with the most efficient common toolbox and systems: 3 core electric drive module families to ensure efficiency, modularity and performances, and 2 battery cell chemistries (Nickel and Cobalt free offering a low and stable cost 20% lower than the Ni based) which, will, by design, be able to be upgraded depending on our customer needs: cost reduction, energy density improvement, or charging speed increase.
- EV mobility is also about integration in the new ecosystem. Customers will benefit from our consumer electronics and mobile internet capabilities in the cockpit and remotely (JV in software with Foxconn). Our increased level of control over software development will allow us to update software over-the-air on our vehicles to continuously improve the customer experience, based on our active 12 million connected vehicles. Stellantis announced on its Software Day on December 7, 2021, that three all-new AI-powered technology platforms would be deployed at scale, starting in 2024: STLA Brain, STLA SmartCockpit, and STLA AutoDrive. This transformation will move Stellantis’ vehicles from today’s dedicated electronic architectures to an open software-defined platform that seamlessly integrates

with customers' digital lives. It greatly expands the options customers have to add innovative features and services via regular over-the-air (OTA) updates keeping vehicles fresh, exciting and updated years after they have been built. Stellantis expects 34 million monetizable connected cars by 2030, with a majority of all new vehicles to be fully over-the-air updatable by 2024.

- Providing disruptive solutions to the new urban usage of mobility is also a key mission vis-à-vis our customers. Citroën Ami launched in 2020, Opel E-Rocks launched in 2021 are designed for sustainable urban mobility. They are ultra-compact individual mobility solutions with 2 seats, accessible over the age of 14 / 15 (according to countries) through highly competitive à la carte offers.

1.1.4.3 Value created for employees

Stellantis has adopted a business strategy based on a profitable and sustainable growth plan. In order to capitalize on all development opportunities, Stellantis employees are major players in the strategic plan. Together with employee representatives and the unions, the Company is fostering a diverse culture, in which all join forces to build the future, and where teams can compete to demonstrate and develop their talent. Our human resources policy allows our employees to:

Develop in a culture where solutions are designed collaboratively

The co-construction approach shared by Stellantis and the employee representatives contributes to the Company's performance and protects employees. It favors preparation of the organizations to face upcoming massive changes due to the electrification and software pathways the automotive sector is now taking.

It also favors very reactive adaptation to brutal changes as the COVID-19 pandemic: remote work and short-work according to the type of jobs have been implemented in few days.

Take ownership of their career by developing their skills and prepare for the future

Stellantis jobs prospective observatory allows the identification of skills necessary to support the Company's strategy. Employees are informed of the potential changes which might impact their job position and can prepare, through training, for upskilling or change career path.

Stellantis has set up governance for its Job Families and professions to protect its know-how and expertise and develop its talents across the Company supporting performance as a basis for equality of opportunity.

Personal Development Plans provide staff members with the opportunity to boost and diversify their skills, including training with a wide range of teaching materials in addition to professional mobility, with priority given to internal mobility. Stellantis electrification strategy impacts job positions within the Company but also opens new opportunities in the e-mobility ecosystem in a broad approach supported by strategic vertical integration.

To support this transformation, Stellantis is creating a software and data academy to retrain more than 1,000 internal engineers in multiple roles and develop its software community. The Company is also hiring top software and AI talent from technology and other industries globally. By 2024, Stellantis targets having 4,500 efficiency-driven software engineers, creating talent hubs around the globe. Those engineers are expected to perform the execution of Stellantis' software ambitions and operate within the ecosystem created by Stellantis partnerships.

Employees who wish to become "intrapreneurs" are trained in methods proven by startups, starting by interviewing potential users to better define the value proposition. Prototype in hand, they conduct tests with future customers while developing the associated compensation model. Whatever the outcome, the idea submitters live for three months the exciting adventure of intrapreneurship, guided by an attentive and benevolent internal coach. In addition, Incub's basics, a COOC (corporate online open course) has been created and is available for all Company employees. This online training allows Company employees to get used to lean startup methods and innovative ecosystems more quickly.

55%

of employees who have had an annual appraisal

202,437

employees have completed at least one training course during the year

Work in an environment that promotes health, well-being and flexible work life balance

Stellantis strives to be one of the industry leaders in workplace health and safety. For Stellantis, developing and attracting talent means rethinking the workplace relationship due to the possibilities created by new technologies. Remote working helps to ensure a work/life balance and improves working conditions. In continuity with the working from home policy, Stellantis has presented the “New Era of Agility” program to massively develop remote working. Stellantis works to be innovative as regards remote work. For all applicable jobs, up to 70% of work from home is proposed to employees, allowing them to reallocate commuting time to sports, culture, self-education, family time.... and even to relocate their homes.

1

rate of lost time accident frequency

up to 70%

of work from home for applicable jobs

Showcase their talents in an inclusive environment where diversity is an asset

Committed to strengthening diversity and inclusion, Stellantis became a signatory to the UN Women’s Empowerment Principles (UN Women) and reinforces its commitment to adopt measures aimed at promoting gender equality and female empowerment in the workplace. The adhesion is part of the Company's Diversity and Inclusion plan, which promotes affirmative actions that strengthen the development of its professionals and the occupation of leadership positions in the Company.

On an international scale, the Collective Bargaining Agreements on Social Responsibility are committed to exceeding local legal requirements in applying and promoting the fight against racism, sexism, xenophobia and homophobia and, more generally, against intolerance of differences and ensuring respect for privacy.

Stellantis promotes diversity and inclusion and actively combats discrimination in its recruitment, talent management and compensation policy:

- the gender equality policy is enforced worldwide and monitored with a female/male wage ratio. In 2021, it was 0.94 for blue collars and 0.91 for white collars;

- the “youth employment” policy seeks to integrate apprentices and trainees on work-study placements across all regions and business areas. (4,013 youths trained within Stellantis in the year as apprentices or interns). Choose my company rewarded Stellantis for its commitment to its interns and apprentices by awarding Stellantis its Happy Trainees 2022 label in France. The ranking, based on the HappyIndex®Trainees method, highlights companies that invest in welcoming, supporting and managing their students;
- we strive to provide opportunities for experienced employees for them to remain engaged and motivated to bring their experience and expertise as assets for our Company’s success. 91,812 Stellantis employees aged over 50 years old;
- Stellantis is also committed to hiring and retaining disabled employees. 11,363 disabled employees in 2021.

Stellantis also encourages and transforms employee’s ideas and promotes an entrepreneurship spirit within the Company. Through the Stellantis Star*Up program, employees across all 6 regions were invited to submit their ideas in May 2021 and each region selected their top 5 ideas to enter a 3-month incubation phase. The 6 Regional Finals, chaired by the Region’s Chief Operating Officer (COO) have selected the winning pitch to represent their respective regions in the Global Final on the 13th of October, 2021. This idea will enter in a short experimentation phase to be turned into reality and meet real users.

1.1.4.4 Value created for suppliers and partners

Approximately 85% of a vehicle production costs are the value of direct part purchased. Stellantis large and complex supply chain is an opportunity for suppliers and partners to get involved in a worldwide eco-system facing major changes in its technological choices, customers’ habits and expectations and new approaches to mobility in local markets.

Stellantis is committed to sustainable practices in its procurement activity, notably based on the due diligence approach advocated by the OECD and the ILO rules. The selection of suppliers is based not only on the quality and on competitiveness of their products and services, but also on their adherence to social, ethical and environmental principles (third party assessment) and their ability to provide innovative solutions to support Stellantis face such challenges as climate change and wise use of natural resources and raw materials.

Our Responsible Purchasing Guidelines are also a support for our suppliers to improve their practices. For our suppliers, collaboration with Stellantis is a lever to:

- **Boost innovation** Stellantis involves its core and strategic suppliers in a disruptive innovation process, which is essential in order to meet commitments on reducing CO₂ emissions, air quality, the autonomous vehicle, etc. at a cost acceptable to customers. In 2021, 1,311 patents applications were published by Stellantis, more than 300 suppliers are working on joint innovation projects to develop future technologies. In manufacturing, the annual Factory Booster Day in 2021 gave the opportunity to see more than 40 demonstrators from 67 partners to answer the challenges of our Factory of the Future.
- **Boost efficiency** The CSR commitments that the Company asks its suppliers to make, enable them to reduce their own operational risks. Suppliers are well-informed of best practices and regulatory changes, and can therefore benchmark themselves by comparing their performance against the industry average, build on their strengths and implement action plans to work on any weaknesses. Stellantis monitors the progress of the action plans required from suppliers. If necessary, it can help them find solutions to improve their product quality or optimize their processes.
- **Boost economic performance** In view of the demanding supplier selection process, being a strategic or core supplier of Stellantis demonstrates a high-level of economic and CSR performance. Through innovation partnerships with Stellantis, suppliers are developing a competitive edge. This distinguishes them from their competitors when bidding for contracts in other markets. They can create commercial opportunities with customers who, like Stellantis, regard CSR criteria as a key aspect of the supplier selection and listing process. The Company's suppliers can communicate their own CSR commitment and performance (notably their EcoVadis score) to their customers and/or host regions. Similarly, in being chosen to support Stellantis on international projects, companies are enlarging their prospects by increasing their visibility in new markets. The Kenitra plant in Morocco contributes to boost the Moroccan automotive industry's ecosystem, helping to create a recognized manufacturing know-how in the Kenitra region. It has helped to establish a cluster joined by 34 new suppliers who have decided to invest in greenfield plants in Morocco to join Stellantis cluster. The Company currently works with 81 local partners, with the aim to achieve a local sourcing rate of 80%.

- **Boost CSR performance** Stellantis also requests the adoption and sharing of sustainable practices among business partners, suppliers and dealers. The third-party assessment of suppliers based on CSR criteria encourages suppliers to be vigilant for CSR risks within their supply chain. Detailed scores in those external CSR assessments allow suppliers to launch action plans to improve their labor and purchasing practices and reduce their environmental impact.

As a response to the climate change challenge, Stellantis is notably transitioning to electric technology for mobility devices, which rely on raw materials necessary to produce battery components. Some materials pose human rights risks in the supply chain (lithium, aluminum, cobalt). Stellantis annually maps the sourcing of materials that are essential to electric vehicle battery manufacturing, and is a member of global multi partner initiatives (RCS Global, Drive Sustainability notably) to improve risk-identification in the supply chains. Stellantis suppliers are invited to join forces in those global approaches and required to disclose to the Company their raw material suppliers. This allows them to challenge their own supply chains to ensure a better risk coverage.. The Company's responsible purchasing approach is useful in making its suppliers part of a positive trend. In 2021, the average score in EcoVadis of Stellantis suppliers was 53.4 in the environmental category and 53.2 for Human Rights, outperforming all suppliers assessed by EcoVadis, which had an average score of 43.8 and 46.6 respectively.

1.1.4.5 Value created for host communities and civil society

A support to the social and solidarity economy and to communities:

- **Philanthropy:** after the merger of Groupe PSA and Fiat Chrysler Automobiles (FCA), Stellantis managed the transition to its new philanthropic focus and continued to support multi-year projects that started before the merger. The legacy charitable entities managed their former commitments vis-à-vis the communities.
 - **Socially responsible mobility projects:** former Fondation PSA supported mobility projects for social inclusion and mobility projects to promote access to Education and Culture. In 2021, there were 228 driver's license trainings funded of which 76 targeted students who received their driver's license and 15 vehicles were co-financed. Through the program's partnership, in 2020, the first electric vehicle repair training program was created at the ECAUT Production School for 20 students. This training provided young people with additional skills to enter the labor market.

- Socially responsible educational projects:** former FCA, notably through the FCA Foundation, supported literacy, scientific education and STEM programs as well as employment development skills, mentoring projects, professional and social inclusion. Over the last three years, FCA Foundation U.S. grants have notably supported 1,000 students in the program focused on teaching mathematics while fostering self-worth, strong values and a sense of family. Students receive personalized tutoring, with an average 50% increase in pretest to posttest scores after just one summer, and with an average of 95% of students going on to college.

100

philanthropic projects were sponsored by Stellantis in 2021

€ 14.4 m

were donated to community organizations in 2021

- Support to sheltered economic sector:** the Company has also a strong involvement as a buyer from companies that only employ people with disabilities in France, and has widely expanded its operations in Spain over the last two years. Stellantis works with seven major French associations and with two Spanish associations. Thus, all the Company's French automotive production plants have a partnership with associations from the sheltered sector. The services bought in 2021 from the adapted and sheltered sector added up to €48 million.
- Contribution to road safety, both now and in the future:** Stellantis is contributing to the definition of road safety through several channels: strong commitment in safety-related standardization activities (e.g., Functional Safety and Safety of the Intended Functionality, relevant for autonomous driving and advanced driver assistance systems (ADAS)), in several cooperative projects regarding the safety of autonomous driving, in the development of international industry standards in cybersecurity notably through participation in the Automotive-Information Sharing and Analysis Center (Auto-ISAC). In October 2021, Stellantis showed its contribution in the L3Pilot automated driving project at the L3Pilot final event in Hamburg, Germany, in conjunction with ITS World Congress. L3Pilot is the European flagship research and innovation project to test the viability of Level 3 automated driving functions on public roads. During the four-year project, former Groupe PSA and former FCA Research and Advanced

Technologies teams - now Stellantis teams - joined forces in a global ecosystem of 34 partners including suppliers, research institutes, road authorities and other OEMs to collect and validate automated driving data in order to test and evaluate Level 3 automated driving functions as a safe and efficient means of transportation on public roads. L3 project: 400,000 km driven on motorways, half of that in automated mode and half as a baseline; 24,000 km driven in urban scenarios, 22,200 km in automated mode and 1,800 km as a baseline.

- Stellantis also provides emergency rescue** sheets with information to rescue teams or first responders on special design elements and the position of components to be considered when assisting the occupants of vehicles involved in an accident. In addition, since March 2010, the Connect Box developed by former Groupe PSA provides assistance when an accident or health related incident occurs in the vehicle. The occupants are connected with a dedicated assistance center that pinpoints the vehicle. Motorway control centers in Europe are automatically warned of any accidents on their roads via the emergency call service in the Company's equipped vehicles as this is becoming a legal obligation in Europe.

E-call (emergency call system):

57%

of Stellantis model developed with Lane Keeping Assist technologies

A support to the economic and scientific development of host communities.

- Support for creation of startups by employees:** Stellantis deploys an entrepreneurial approach inside the Company with the Stellantis Venture Lab. This organization is designed to detect, test and transform opportunities into marketable products and services for Stellantis including the recently launched Car On Demand and MYFREEDOM programs in the U.S. The Incubator welcomes and guides Company employees who have innovative ideas or new business ideas. The methodology is inspired by startups, selected ideas are launched as pilot experiments in the Business Factory. In 2021, 1,375 proposals have been examined, more than 45 have been incubated and 6 have been transformed into experimentation.

- **Scientific development:** The Company acts as a vehicle for scientific development. Stellantis, and in particular its Automotive Research and Advanced Engineering division is providing new technology for its Engineering division and Mobility Business Units. Working on all the maturity phases of the technology (TRL – Technology readiness Levels) – basic scientific research, advanced research, pre-development, development and industrialization - is fundamental to provide relevant and on-time mobility solutions to the customers.

The Company has developed several ways to work on the less mature technologies:

- Collaborative precompetitive projects involving several partners including universities and research centers, that provide the scientific innovation framework for a safe, sustainable, decarbonized and affordable mobility;
- the Stellab Network of 14 Openlabs that are covering all the fields of technologies.

Recently, a new OpenLab focused on disruptive lighting was created at Darmstadt University. Furthermore, the PRAIRIE Institute, initiative FRANCE 3 AI – was integrated as founding members, to develop long term research in Artificial Intelligence (AI);

- Three academic chairs run by the Stellab;
 - joint research with national institutions such as VEDECOM, the French institute of technological research for low-carbon, connected and autonomous vehicle that supports the development of new solutions and services within global ecosystems.
- **Scientific Education:** Stellantis continued to support scientific education, notably, through the CERN project unveiled in 2019 in Geneva, Switzerland. This ambitious and innovative Science Gateway project is a hub for scientific education and culture, meant to raise awareness, curiosity and love for science in every dimension for the most people possible. The exhibitions will feature CERN’s accelerators, experiments and computing, how scientists use them in their exploration and how CERN technologies benefit society. Hands-on experimentation will be a key part of the Science Gateway’s educational program, allowing visitors to experience first-hand what it is like to be a scientist. The immersive activities available in the Science Gateway will foster critical thinking, evidence-based assessment and use of the scientific method which are important tools in all walks of life.

1.1.4.6 Value created for the environment

GRI 201-4

Methodologies and technological choices for a concrete impact:

- **Eco design to boost innovation:** Stellantis conducts LCAs (Life Cycle Assessment) on its vehicles and components to reduce material consumption and environmental impact of materials. These studies analyze the multi-criteria environmental footprint of a vehicle and validate its components and materials design. The entire product life cycle is taken into account from raw material extraction to manufacture, use and end-of-life. In 2021, LCAs covered 62% of the total fleet sold.
- **Energy efficiency:** the Stellantis Battery Management System features have been designed to maximize efficiency of the useful energy in real life: we increase the useable energy by 4%. Stellantis will strive to offer the best-in-class energy storage efficiency because our platforms will provide the highest energy density, reaching almost 60 kWh per meter.

A circular economy mindset to enlarge the lifespan of a vehicle:

- **green materials:** Their wider application requires the development of robust supply chains and more research on new materials. Stellantis is involved in a large number of scientific partnerships to boost the development of the green materials industry and expand the use of these materials in vehicles. Few examples: Fiat New 500 (BEV), Fiat 500 MHEV, and Fiat Panda MHEV use 100% Recycled PET (30% from bottles recovered in the sea and 70% from post-consumer) for the textile in the seats, Citroen AMI uses recycled polypropylene on upper bulkhead.

In addition, the DS4 Crossback includes more than 50 parts (dashboard, console, carpets...) made by recycled polymers and/or natural fibers.

- **Sustainable battery life cycle:** software monitoring allows maintaining the performance of batteries above 70% in our e Repair centers in countries of operation, (seven operational at the end of 2021), then re-manufacturing in our Battery Expertise Centers and finally recycled with qualified partners. With the volumes growth (100 per year today, 5,000 expected by 2030 and more than 500,000 expected by 2035 for Europe only), and through future partnerships with more efficient recycling technology, it will allow to recover a higher % of qualitative raw materials to be used to manufacture new batteries thereby closing the battery

life cycle loop and significantly reducing costs (logistic and raw material recovery). Battery life cycle management is the core of our Circular Economy business model and contributes to the sustainability of our EV. The traction battery recycling rate is 69.3% for electric vehicle Li-ion batteries and 83.8% for hybrid vehicle Ni-MH batteries for ex PSA brands in Europe in 2020, higher than the 50% regulatory thresholds for recycling efficiency and a similar process is planned for ex FCA brands.

- **Responsible recyclability:** Stellantis has implemented the processes needed to fulfill the 95% recovery requirement in vehicle weight, and 85% reusing or recycling materials with traceability processes for information on the weight of materials, substances and the corresponding assessments and analyses. In France, partners track ELVs and ensure the overall recovery rate is achieved. Few examples: at the end of 2021, the Company's industrial partners were working with networks of 436 certified dismantling companies for former PSA Brands, and 612 for former FCA Brands, with 222 common dismantling companies. In India, we have a business partnership to support the development of Waste Law to treat ELVs and High Voltage Batteries. In Africa, Stellantis implemented a study with Morocco's government to improve the collection and treatment of ELV. . In 2021, Stellantis collected and processed with an internal Individual System 34,609 of ELVs in France for former PSA and FCA brands. These accounted for 40,996 tons of material recovered, of which 87% was recycled.
- **Parts and Service Sustainability:** Stellantis offers a full range of remanufactured parts. These parts support the aftermarket needs of customers, simultaneously reducing the cost of vehicle ownership and decreasing the volume of materials heading to landfills as well as energy consumption. For **remanufactured product lines, average raw-material usage is reduced 60-95%** while **CO₂ emissions are cut 30-50%** compared with new-part production. Remanufactured offerings cover close to 35% of vehicle parts value. In 2021, 64% of engines, 65% of gearboxes, 38% of clutches, 48% of injectors, 60% of alternators and 62% of particulate filters sold by brands in Europe and North America were remanufactured parts

A holistic approach to support carbon neutrality and biodiversity recovery, reduce resource use and environmental impacts:

Stellantis considers its impacts on the environment with a 360° and pragmatic approach:

- Inside the Company boundaries:

- launching **an electric product offensive**, which aims to sell 100% of electric passengers car sales in Europe and 50% of passengers car and light duty truck sales in North America by 2030, reaching 100% by 2038;
- **reducing vehicle diversity.** Mindful of vehicle CO₂ emissions regulations compliance, Stellantis is reducing its vehicle diversity to focus on developing environmentally friendly technologies that can be rolled out on a large scale;
- **investing in manufacturing process improvements** to transform production locations in a more efficient and sustainable condition to reduce their CO₂ emissions (through energy efficiency and increased usage of renewable energy), their water consumption and their waste. In 2021, 61% of all the active plants have been qualified as zero waste to landfill facilities and 100% of metal waste is recycled. 93% of plants have ISO 14001 certification;
- upstream:
 - **engaging suppliers on climate-related issues:** as of 2021, more than 55% of our most important suppliers (based on APV) commit to a CO₂ trend which complies with the Paris Agreement;
 - **associating them to decarbonized energy:** in South America, where 55% of Stellantis' plants have already neutralized the scope 1 and 2 of their certified emission inventory by using electricity originated almost entirely from renewable sources and offsetting the residual emissions. The result achieved in the Goiana plant was extended to the 16 suppliers in its supplier park that became the first multi-plant industrial complex to neutralize its emissions in Brazil;
- downstream:
 - **providing customers with green energy solutions** through day to day smart charging offers:
 - a partnership signed between Stellantis and Digital Charging Solutions GmbH, will provide Jeep 4xe or Fiat EV customers access to the digital service "My easy Charge," offering them a single provider for the largest charging network in the world. With just one app and one single card the charging solution will provide access to more than 130,000 charge points in 21 European countries;
 - Stellantis' partnership with NHOA is expected to develop a public fast charging network in Southern Europe. Enabled by renewables and energy storage, the network is expected to be 100% grid integrated. 4,900 fast chargers are expected to be installed by 2025 and 36,000 by 2030;

- outside its value chain:
 - supporting the Amazon Forest Carbon Sink Project:** since 1998, the **PEUGEOT-ONF forest carbon sink project** in Mato Grosso, Brazil involves reforesting areas of degraded land and restoring biodiversity while studying the relationship between reforestation and the absorption of atmospheric carbon dioxide. More than 645,000 tons of CO₂-eq have been sequestered through biomass and soil. Two million trees including more than 50 native species, were reintroduced in a plantation of nearly 2,000 hectares, more than 20 new global species were discovered.

1.1.4.7 Distribution of added value

Revenues

(in millions of euros)

Distributions	2021 - extract from Annual Report	
	(in millions of euros)	(as a % of revenue)
CAPEX + R&D ¹	10,081	7.2%
Public sector ²	1,911	1.3%
Employees ³	17,100	11.2%
Shareholders ⁴	3,765	2.5%

During the year, some of the R&D activities have benefited from aid at EU, national and local level.

Public Funding for Research and Development

Stellantis⁵ (€ million)

	2021
Grants	62.8
Subsidized Loans	1.4

¹ Gross R&D Expenses, research tax credit and subsidies excluded.

² Corporate Tax.

³ Bonuses and profit sharing included.

⁴ Distributions to shareholders.

⁵ Data refers to legacy FCA entities worldwide and legacy PSA Group perimeter in Enlarge Europe.

1.2 MATERIAL CSR RISKS AND OPPORTUNITIES INHERENT TO THE VALUE CREATION MODEL



1.2.1 CSR MACRO-RISKS AND RELATED CSR ISSUES: STELLANTIS CSR PILLARS AND CHALLENGES

GRI.102-47

Stellantis has identified **six CSR macro-risks** and addresses them in accordance with the UN Sustainable Development Goals. These six CSR macro risks are the **six pillars of Stellantis approach to Corporate Social Responsibility**. In light of the Company's activities, each macro-risk has been broken down into a number of CSR issues, which are material to the Company and its stakeholders. These CSR issues are Stellantis CSR challenges.

CSR risk management approach

Given its determination to take Corporate Social Responsibility (CSR) into account in all its decisions and activities, Stellantis takes the same approach in managing CSR risks as it does for its other risks: the CSR risks are subject to internal control and are specifically included in the Company's Internal Audit plan.

The Company's risks and associated control procedures are described in [section 1.2.3](#) and further detailed in the risk management section of the [Annual Report](#).

6 CSR MACRO-RISKS / PILLARS	22 CSR ISSUES / CHALLENGES
I. Bringing a tangible impact on climate change	1 Vehicle CO ₂ emissions
	2 Industrial and sites carbon footprint
	3 Carbon footprint of the supply chain: purchasing and logistics
II. Driving Company transformation through the development of human capital	4 Management of Company transformation and social dialogue
	5 Attracting and developing all talent
	6 Diversity and equal opportunity
	7 Health, safety and well-being in the workplace
III. Meeting changing customer expectations on mobility (market risks)	8 Development of new mobility solutions (including autonomous vehicles)
	9 Vehicle and service quality - customer satisfaction
	10 Vehicle safety
IV. Preventing ethics violations	11 Ethics in governance and business practices (including relations with public institutions, balanced governance and distribution of added value)
	12 Responsible management of personal information
	13 Responsible information to customers
V. Promoting protection and implementing responsible use of natural resources	14 Wise use of material in the vehicle life cycle (including product recycling)
	15 Vehicle impact on air quality
	16 Optimization of material cycles in manufacturing processes (including waste)
	17 Control of industrial discharge and nuisances
	18 Sustainable water management in manufacturing
	19 Protection of biodiversity
VI. Ensuring protection of human rights and supporting a balanced economic development of territories	20 Responsible purchasing practices (including local sourcing development) to support the Company's development in host territories
	21 Human rights in the supply chain
	22 Philanthropic actions to support communities

1.2.2 STELLANTIS MATERIALITY MATRIX: RELATIVE POSITION OF THE 22 CSR CHALLENGES

GRI.102-29

For Stellantis, a material CSR issue is a sustainability factor that can have a present or future impact on the Company's value drivers, competitive position, and therefore on long-term stakeholder value creation.

There are 22 CSR issues that are considered to be material by Stellantis experts and stakeholders, according to 2 criteria:

- those that reflect the environmental, economic and social impacts of the Company's activities;
- those for which the environmental, economic and social contexts in which the Company operates have impact on the Company's performance.

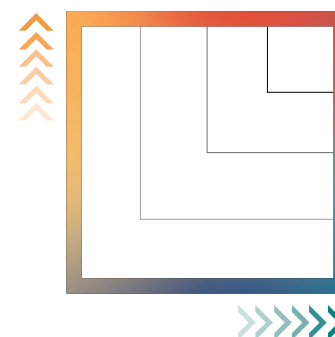
Based on this **double materiality approach**, those CSR issues are hence considered as having a substantive influence on the stakeholders' assessments and decisions.

Hence each CSR issue is a CSR challenge for Stellantis.

This CSR Report presents a definition, the Stellantis ambition and commitment and the main initiatives and achievements related to each CSR issue / challenge.

Throughout the year Stellantis reviews progress on the CSR issues/challenges: the status is validated by the Top Executive Team and presented to the Board of Directors.

The Company adopts measures proportionate to the position of each CSR issue/ challenge in the materiality matrix. These measures are described in this CSR Report. The 22 CSR issues are grouped in 6 macro-risks (pillars).



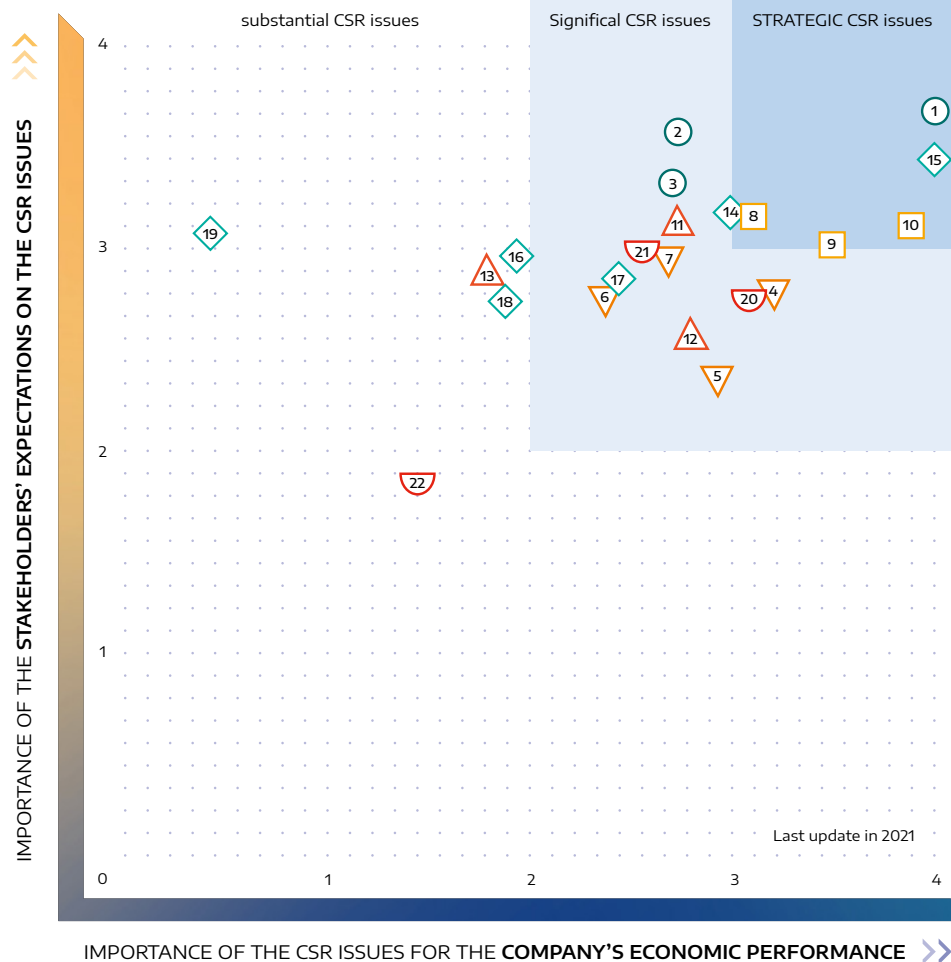
See the **Stellantis**  **Materiality Matrix**

STELLANTIS MATERIALITY MATRIX

Mapping of CSR macro-risks/pillars and the CSR issues/ challenges

STELLANTIS' CSR MACRO-RISKS/PILLARS (DEVELOPED IN 22 CSR ISSUES/CHALLENGES)

- Bringing a tangible impact on climate change
- ▽ Driving the Company transformation through the development of human capital
- Meeting changing customer expectations on mobility (market risks)
- △ Preventing ethics violations
- ◇ Promoting protection and implementing responsible use of natural resources
- ⤵ Ensuring protection of human rights and supporting a balanced economic development of territories



- Vehicle CO₂ emissions ○ 1
- Industrial and sites carbon footprint ○ 2
- Carbon footprint of the supply chain: purchasing and logistics ○ 3
- Management of Company transformation and social dialogue ▽ 4
- Attracting and developing all talent ▽ 5
- Diversity and equal opportunity ▽ 6
- Health, safety and well-being in the workplace ▽ 7
- Development of new mobility solutions (including autonomous vehicles) □ 8
- Vehicle and service quality - customer satisfaction □ 9
- Vehicle safety □ 10
- Ethics in governance and business practices (including relations with public institutions, balanced governance and distribution of added value) △ 11
- Responsible management of personal information △ 12
- Responsible information to customers △ 13
- Wise use of material in the vehicle life cycle (including product recycling) ◇ 14
- Vehicle impact on air quality ◇ 15
- Optimization of material cycles in manufacturing processes (including waste) ◇ 16
- Control of industrial discharge and nuisances ◇ 17
- Sustainable water management in manufacturing ◇ 18
- Protection of biodiversity ◇ 19
- Responsible purchasing practices (including local sourcing development) to support the Company's development in host territories ⤵ 20
- Human rights in the supply chain ⤵ 21
- Philanthropic actions to support communities ⤵ 22

Materiality Matrix Methodology

The CSR risk assessment was the first step in the process: the CSR issues and macro-risks were identified based on the expertise of the network of CSR correspondents and contributors, representing relevant organizations within the Company and on a dialogue with main stakeholders. This materiality assessment allowed us to identify critical economic, environmental and social issues on which we have impacts or which have a significant impact on our business performance and long term value creation.

The result was confirmed by a review of issues reported by industry peers and an analysis of worldwide CSR reference and reporting standards.

A representative sample of stakeholders was then interviewed to ascertain their opinion.

This structured approach enabled us to score and position the CSR issues on the matrix:

- the position of the issue on the horizontal axis represents **the importance of the CSR issue for the business performance** of the Company, according to three criteria:
 - likelihood of the threat materializing and opportunities created by the issue;
 - the seriousness of the impact for the Company, quantified in monetary terms by the Division affected, in case of absence of action;
 - impact on long-term performance, in case of absence of action.
- the position of the issue on the vertical axis represents the **importance of the stakeholders' expectations** on the CSR issue, based on their assessment on the impact Stellantis activities have on the environment and the society:
 - the score given for each issue by the interviewed stakeholders reflects their perception of the impact the Company can have on each issue;
 - the score is weighted based on the contribution of each stakeholder and their expertise on the issues.

The materiality matrix is compliant with the **double materiality principle** that companies should report not only on financially material topics that influence their value, but also on economical, environmental and social impacts that the company have on the society.

An external provider ensured that each issue was scored strictly and fairly using a rigorous methodology.

1.2.3 EXTENSIVE ASSESSMENT OF RISKS

TCFD.Ra TCFD.Rb TCFD.Rc GRI 102-30 GRI-102-31

The overall Risk Management System of Stellantis integrates the identification and assessment of climate-related risks.

Stellantis uses a group-wide risk analysis framework to assess, manage and report risks, including climate-related physical and transition risks and opportunities. All functions are expected to identify and update the risks inherent to their activities. The principal risks in each function, those which are most critical, are analyzed each half year. The enterprise risk assessment is based on a bottom-up approach beginning with functional areas, and concludes with the review by the responsible Chief Operating Officers. The central Risk Management team consolidates results into a report for review and validation with the Top Executive Team.

Stellantis Protection, Audit and Risk Management Department is in charge of assessing the magnitude of the risk as well as the degree of maturity of the risk management measures adopted. The assessment and prioritization process of risks/opportunities, including those posed by climate change, starts with classification of likelihood of the risk occurrence, potential impact on profitability, business continuity and reputation, and mitigation actions in place. These elements determine the residual risk rating defining the risk significance and prioritization for the Company. Risks that are identified as having high- or medium-high rating are considered significant. The top significant risks, those that might have a substantive financial or strategic impact on the business, are deemed "Top Risks". Each Top Risk is then classified by risk categories (Strategic, Operational, Financial and Compliance) and control measures and mitigating actions are subsequently defined.

Results of the risk assessment are submitted to the Audit Committee, assisting the Board of Directors in their responsibility for strategic oversight of risk management activities. The Audit Committee reviews risk protocols and covers the spectrum of the climate-related physical and transition risks that could have an impact on the Stellantis financial and accounting information. The Board of Directors validates the mapping of Top-Risks.

Stellantis' risk management system includes action plans and quality indicators, which are audited by the Risk Department of the Company.

Corporate Social Responsibility (CSR) macro risks and issues are also embedded in the Top Risks process through interviews of a significant number of managers and top managers. The relevant actions are reflected in the mitigation plans implemented in operational divisions and included in training programs as needed.

1.2.4 CSR TRAJECTORY: FOCUS ON MOST STRATEGIC CSR CHALLENGES

CSR ISSUE / CHALLENGE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT		
			Short-term	Medium-term	Long-term
<p>Carbon footprint reduction in the whole value chain</p> <p>Owner Chief Planning Officer</p> <p>>>></p>	<p>Contribute to a global carbon neutrality, with an ambitious carbon footprint reduction roadmap</p>	<p>GHG emissions reduction (%) (absolute GWP in scope 1 and 2, intensity GWP (per veh) for scope 3 - 1.5°C scenario - Global</p>	<p>2022: refine emission reduction trajectories aligned with 1.5°C scenario per region</p>	<p>2030: reduce GHG emissions by 50% vs 2021 level</p>	<p>2038: Carbon Net Zero, with single digit % compensation of residual emissions vs 2021 level¹</p>
<p>CSR issue / challenge #1</p> <p>Vehicle CO₂ emissions</p> <p>Owner Chief Planning Officer</p> <p>>>></p>	<p>Propose a wide range of Low Carbon mobility devices, rapidly available in countries of operations, to contribute to the race to carbon neutrality, by leading CO₂ emissions reduction²</p>	<p>Percentage of nameplates with LEV offering (focus on U.S. and EU)</p>	<p>2025: EU PC: 98% U.S. PC&LDT: 95%</p>	<p>2030: EU PC: 100% nameplates with BEV offering U.S. PC&LDT: 100% nameplates with BEV offering</p>	<p>2038: EU PC: 100% nameplates with BEV offering U.S. PC&LDT: 100% nameplates with BEV offering</p>
		<p>Share of LEV in global sales mix (focus on U.S. and EU)</p>	<p>2025: EU PC: 44% LEV (incl. 34% BEV) U.S. PC&LDT: 37% (incl. 14% BEV)</p>	<p>2030: EU PC: 100% BEV U.S. PC&LDT: 50% BEV</p>	<p>2038: EU PC: 100% BEV U.S. PC&LDT: 100% BEV</p>
<p>CSR issue / challenge #8</p> <p>Development of new mobility solutions (including autonomous vehicles)</p> <p>Owners Brand Chief Executive Officer, Free2Move Chief Executive Officer, Leasys Chief Software Officer Chief Engineering Officer</p> <p>>>></p>	<p>Lead innovation for Mobility As A Service to support freedom of movement with affordable, safe and sustainable mobility solutions</p>	<p>% of Low Emission Vehicles (below 50g CO₂ per kilometer) infleeted in the year for car sharing / short and medium term rental / subscription / long term rental (lease)</p>	<p>2025: 40%</p>	<p>2030: 60%</p>	<p>2038: 100%</p>
		<p>% Revenues from Low Emission Vehicles (below 50g CO₂ per kilometer) within Mobility (incl. EV solutions + Data Service) and Rent (car sharing/ short and medium term rental / subscription / long term rental (lease))</p>	<p>2025: 20%</p>	<p>2030: 40%</p>	<p>2038: 80%</p>

¹The achievement is conditioned by key external enablers: decarbonized energy (based on Announced Pledges Scenario from International Energy Agency), and conducive public policies for BEV (charging infrastructure, purchasing incentives)

²PC = Passenger Car, LDT = Light Duty Truck, LEV = Low Emission Vehicle, BEV= Battery Electric Vehicle

CSR ISSUE / CHALLENGE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT		
			Short-term	Medium-term	Long-term
CSR issue / challenge #9 Vehicle and service quality - Customer satisfaction Owner Chief Customer Experience Officer >>>	Be TOP1 in syndicated surveys in customer satisfaction with excellent quality vehicles, services and mobility, providing a seamless customer journey, worldwide	Customer satisfaction: presence rate of Stellantis brands in the first quartile of the product and service syndicated surveys, in the main markets. Year for base 100 is 2021, target is +20% each year	2024: 160	2030: 280	2040: All Stellantis brands in the first quartile
		3 months in service repairs rate: percentage of reduction vs reference year 2021	2022: -41.3 % 2024: -56 %	2030: -75.6 %	2040: -80.4 %
		Customer satisfaction as measured by Net Promoter Scores (NPS) (New Vehicle sales + After-Sales).Year for base 100: 2021	2025: Sales: 103 Aftersales: 115	2030: Sales: 109 Aftersales: 117	2040: Sales: 114 Aftersales: 121
CSR issue / challenge #10 Vehicle safety Owner Chief Engineering Officer >>>	Develop and offer safe products all around the world, continuously striving for state-of-the-art level of safety risk avoidance, as well as crash protection for vehicle occupants and vulnerable road users	Level of robustness of the global harmonized vehicle safety organization, processes and technical expertise, including active safety, passive safety, cybersecurity (for its safety relevance), and product safety users	2025: Governance, organization and processes defined and set up, external audit every 3 years, performed by an independent assessment body and considering industry standards including ISO26262, ISO21448, ISO21434.	2030: External audit performed each year, considering new technologies embedded in Stellantis products	2040: External audit performed each year, considering new technologies embedded in Stellantis products

CSR ISSUE / CHALLENGE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT		
			Short-term	Medium-term	Long-term
CSR issue / challenge #14 Wise use of material in the vehicle life cycle (including product recycling) Owner Chief Engineering Officer >>>	Innovate with eco-design and leverage end-of-life opportunities in a circular economy approach to reduce the use of natural resources and the environmental impact to the lowest possible level	Percentage of Green Materials (includes renewable and recycled content with lower carbon footprint materials) on total vehicle weight	2025: Launch the first vehicles containing 25% of Green Materials	2030: Launch the first vehicles containing 40% of Green Materials	2050: Continue to reinforce Green Materials content in the future vehicles
		Availability of solutions to optimize High Voltage Batteries lifespan and End of Life through Repair, Remanufacturing, 2nd life, Recycling	2025: At least one solution is implemented for each High Voltage Battery sold in EU, NA, China	2030: At least one solution is implemented for each High Voltage Battery in all countries where EVs are sold	2050: All solutions implemented in all countries where EVs are sold
CSR issue / challenge #15 Vehicle impact on air quality Owner Chief Engineering Officer >>>	Meaningfully reduce impact on air quality by focusing on development of a wide range of affordable Zero Emission Vehicles (ZEV)	Share of ZEV ¹ in global sales mix (focus on U.S. and EU)	2025: EU: 34% of Passenger Cars U.S.: 16% of Passenger Cars + Light Duty Trucks	2030: EU: 100% of Passenger Cars U.S.: 50% of Passenger Cars + Light Duty Trucks	2038: EU: 100% of Passenger Cars U.S.: 100% of Passenger Cars + Light Duty Trucks
		Percentage of nameplates with ZEV ¹ offering (focus on U.S. and EU)	2025: EU: 74% of Passenger Cars U.S.: 60% of Passenger Cars + Light Duty Trucks	2030: EU: 100% of Passenger Cars U.S.: 100% of Passenger Cars +	2038: EU: 100% of Passenger Cars U.S.: 100% of Passenger Cars +

¹ZEV = Zero Emission Vehicles (Battery Electric Vehicles)

1.3 CSR GOVERNANCE



1.3.1 CSR POLICY

“Powered by our diversity, we lead the way the world moves”.

Stellantis corporate purpose finds its roots in the inextinguishable appetite for mobility of all human beings: our corporate responsibility is to design and offer a range of mobility solutions which are affordable, safe, and sustainable.

In order to protect our ability to provide those solutions in the long run and create **shared value for the society in which we operate**, guided by our support to the **UN Sustainable Development Goals**, our Corporate Social Responsibility policy finds its roots in the United Nations Global Compact Principles and embraces:

- a holistic approach of our environmental footprint: our actions strive to bring a tangible impact on climate change and make a **wise use of natural resources**. Life cycle analysis support our decisions, notably when technology or material related changes impact key features of our products (mass, recyclability, ...);
- a human-centered management of our activities and their **social impacts**: we promote the development of our teams, we leverage on their **diversity** as an asset to understand citizens’ both common and specific expectations and desires all around the world, we support **economic local development** through **responsible purchasing practices**, we encourage **social local initiatives** through philanthropic actions in the communities around our locations;

- **strong ethical principles** in governance and business relationships: the Stellantis governance model reflects our commitment to a culture dedicated to integrity, responsibility and ethical behavior in all areas of our activity and **along the entire value chain**. Our governance model supports our focus on creating a **shared and lasting value for our stakeholders**.

For Stellantis, value creation in the long run results from economic, environmental and social performance. We protect our sustainable development **through responsible decisions** and **transparent** business practices. Our Corporate Social Responsibility policy is based on this fundamental principle:

- we consider **transparency** as the basis of mutual **trust with the society**. Our responsibility is to make decisions knowing we will be accountable for them in the future. Stellantis strives to publish clear, extensive and externally verified information to ensure our stakeholders have access to quality data. It also feeds the public debate, for the benefit of the general interest;
- **a data-driven company**, we base our decisions on facts, **scientific** approaches and close monitoring of our activities.

Stellantis regards its CSR policy as a collective and individual endeavor, which ensures that the principles of Corporate Social Responsibility are embedded into each business decision and guides the Company’s approach to its strategic challenges.

The CSR commitments presented in this Report are supported by accountable members of the Top Executive Team. Our CSR commitments are part of a proactive trajectory and supported by KPIs closely monitored.

Company employees at the various level of the organization are committed to adhere to and implement this CSR roadmap, which reflects Stellantis ambitions for the future.

1.3.2 CSR IN THE BOARD OF DIRECTORS

GRI 102-18 | GRI-102-23 | GRI-102-24 | GRI-102-26 | GRI-102-29 | GRI-102-32

Stellantis Corporate governance ensures that the Company is managed in the interests of its shareholders and its main stakeholders.

The Board of Directors of Stellantis is formed by 11 members, the majority of the directors are independent. Five members were nominated by former Groupe PSA and two of its reference shareholders (EPF/FFP and BpiFrance), while five were nominated by FCA and reference shareholder (Exor), including the Chairman. Carlos Tavares, CEO of Stellantis and former CEO of PSA is also a member of the Board of Directors. Refer to the Corporate Governance section of the [2021 Annual Report](#) and Form 20-F for more details.

In accordance with the articles of association of Stellantis and with the [Regulations of the Board of Directors](#) adopted on January 17, 2021, the Board of Directors is responsible for the management and strategic direction of the Company and has control and oversight responsibilities on the topics which impact the Company’s sustainability and long term performance. Board structure, composition and related committees, are aligned with shareholders’ long-term interests, which include CSR related matters.

Board members have been selected based on their experience and skills, and their complementarity to form a group bringing different perspectives to assess situations from a broad point of views, and to take into account the best interests of stakeholders. Stellantis Board ensures a variety of viewpoints are heard and factored into responsible corporate decision-making.

The ESG Committee

In accordance with the Company’s articles of association, the Board of Directors has adopted the [Charter of the ESG Committee](#).

The function of the ESG Committee is to assist and advise the Board of Directors and act under authority delegated by the Board of Directors with respect to monitoring, evaluating and reporting on the sustainable policies and practices, management standards, strategy, performance and governance globally of the Company and its subsidiaries.

1.3.3 CSR EMBEDDED INTO BUSINESS: AT THE EXECUTIVE AND OPERATIONAL LEVELS

GRI 102-19 | GRI-102-20

Stellantis **CSR Global Office** reports directly to the Executive Vice President (EVP) – Chief Communications and CSR Officer, who is a member of the top executive team and reports to the Chief Executive Officer. The role of the CSR Global Office is to:

- ensure that Stellantis N.V. makes necessary corporate CSR public disclosures;
- support dialogue with stakeholders (including investors) on ESG matters;
- engage in assessment processes with CSR rating agencies;
- watch CSR disclosure related legal requirements and stakeholders expectations, applicable to Stellantis N.V.

Stellantis CSR Global Office oversees a CSR network composed of subject matter experts: the CSR Champions and CSR Correspondents, who represent the global functions of the Company.

The **CSR Champions** work to ensure that the CSR issues under their responsibility are considered appropriately in the decisions of their Division. They:

- directly report to the relevant EVP;
- propose the CSR Ambition and the CSR Targets to the EVP for approval;
- organize, monitor and consolidate the CSR commitments and key messages;
- ensure the Company’s CSR results with improvement actions align with stakeholders’ expectations.

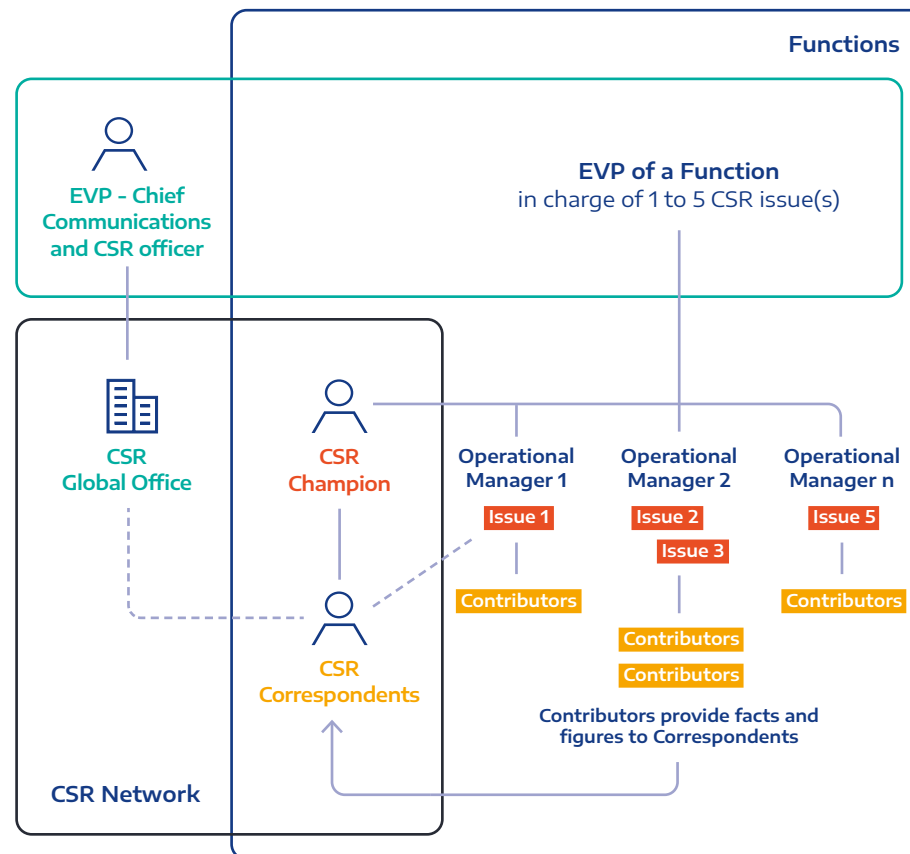
The **CSR Correspondents** focus on proper and reliable disclosure of qualitative and quantitative information for the CSR issues under their responsibility. They:

- manage their network of expert contributors to collect and consolidate facts and figures covering the reporting scope;
- deliver their sections of the CSR disclosures;
- support the CSR Global Office when answering external requests from stakeholders, particularly ESG rating agencies;
- propose internally actions to improve performance based on weaknesses identified with the support of the CSR Global Office.

The **EVPs** play a key role in the Company's CSR roadmap: they validate the medium- and long-term CSR visions, ambitions and targets for the CSR issues that are under their responsibility and are responsible for the achievements.

Top Management incentives are set to align as much as possible with the diverse stakeholders' interests.

THE CSR NETWORK



2

BRINGING A TANGIBLE IMPACT ON CLIMATE CHANGE - CLIMATE REPORT

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STELLANTIS' CSR MACRO-RISK/PILLAR I. BRINGING A TANGIBLE IMPACT ON CLIMATE CHANGE

In the World Economic Forum “2021 Risk Report”, climate was declared a major and imminent risk to the global economy, having wide environmental impacts, and increasing economic and societal divisions, inside countries and between regions.

Companies are key players to introduce solutions and Stellantis is committed to bring a tangible impact on climate change. Stellantis has concerns that the climate emergency may be a threat to the operations of industrial and global companies like ours. Likewise, Stellantis is concerned that if not enough is done to correct the current climate situation, the rise in temperatures might drastically affect the environment including water, air and biodiversity, which may alter the ability to sustain human activities. Challenging dialogues with stakeholders, such as investors, institutions, and NGOs, among others, allow the Company to share its vision of carbon neutrality, its targets, its initiatives and solutions.

More than ever, to address the United Nations 2030 Sustainable Development Goals (SDGs) and to meet the challenge of drastically reducing its carbon footprint, Stellantis is rethinking its value creation model to anticipate major trends.

Climate change requires a global response, which for Stellantis includes designing vehicles with lower CO₂-eq emissions, reducing the carbon impact of manufacturing facilities, logistics and purchasing and putting measures in place to offset any remaining carbon impact. Stellantis views it as an opportunity to be even more agile to face the challenges and to create the future of mobility, allowing for freedom of movement with reduced or no carbon emissions.

To demonstrate its tangible commitments for a low-carbon economy, Stellantis strengthened its climate governance by having climate change concern embedded in its decision-making processes, and developed a holistic and offensive strategy with the goal to reduce CO₂-eq emissions across its entire value chain.

2.1 CONTEXT AND STELLANTIS POSITION



Stellantis has a holistic approach to climate change.

Given its main sources of greenhouse gas emissions, the Stellantis decarbonization strategy is threefold:

- cutting CO₂ vehicle emissions (for more information, [see section 2.5 >](#));
- moving forward into a carbon-efficient production system (for more information, [see section 2.6 >](#));
- improving the environmental performance of the supply chain (for more information, [see section 2.7 >](#)).


The following sections of this Climate Report detail the strategy implemented by Stellantis including the governance, and the actions to achieve the targets, following the recommendations of the Task force on Climate related Financial Disclosures (TCFD).

CSR ISSUE/CHALLENGE #1: Vehicle CO₂ emissions

Based on an assessment of more than 14,000 scientific publications, the [Intergovernmental Panel of Climate Change \(IPCC\) 2021 report](#) on the physical science of climate change demonstrates that human activities have warmed our planet's atmosphere faster than anything people have experienced for at least 2000 years.

The report also answers important questions about how greenhouse gas emissions and other pollutants are changing our climate. It sheds light on how plants, soil and the oceans store and release carbon, how the global climate is responding to human influence, and what we may fear about increasing global warming: a water cycle of increasingly variable, lasting changes in ocean and sea levels caused by the melting of frozen spaces on the planet, and more generally, extreme weather and climate events.

By highlighting the way future human activities change, our climate will affect the planet and its inhabitants. This report also highlights the importance of the choices we all make today. The recommendations from the IPCC report should support our strategies.

In its Vision 2050 report published in 2020, the **International Council on Clean Transportation (ICCT)**  projected that CO₂-eq emissions from transportation would rise from 10.9 billion tons (Gt) in 2015 to 11.9 Gt in 2019–2022. Forty-six percent of those global transportation CO₂ emissions come from the four largest vehicle markets: United States, China, the European Union and India.

Certainly, our industry has a role in the global effort to limit the rise of temperatures to 1.5 degrees. To achieve the effort, Stellantis is adapting its business model and launching new technologies in order to meet its milestones and objectives while satisfying consumer demands for improved fuel economy and lower CO₂-eq emissions in several markets. Our success depends on our ability to meet regulatory emissions requirements while at the same time seek to meet customer expectations for access to safe, sustainable and affordable mobility solutions. The electrification of vehicles is one of the key actions by which we are supporting the transition to a decarbonized economy while working toward carbon neutrality.

Company’s public position

Stellantis believes it has an ethical responsibility to offer customers affordable mobility solutions that are sustainable for the planet and its citizens.

Stellantis is determined not only to be compliant with applicable GHG regulations around the globe but to lead the way as a green company. This has been demonstrated since the beginning of Stellantis with a product lineup of 29 electrified vehicles aiming at a leadership position in the industry in terms of low CO₂ emissions.

In 2020, former PSA increased the pace of its electrification strategy with significant investments in a joint venture, ACC supported by the governments of France and Germany, to develop and produce batteries on a large scale in both countries starting in 2023.

Stellantis believes that the renewed global ambitions to tackle climate change, including the Paris climate agreement and the EU and U.S. objectives for carbon neutrality by 2050, could be achieved if the ecosystem adapts. Transition to low CO₂ transport and mobility at an increased pace requires policy makers to develop and implement a carefully coordinated plan that takes into account the countervailing economic and social challenges associated with this rapid transition. It also requires public authorities to actively support the development of an affordable and sustainable mobility ecosystem through the wise use of the regulatory framework and financial tools and by ensuring the contribution of all sectors and green energy sources of all kinds - in particular the energy sector that should provide green electricity. The availability of a convenient and widespread vehicle recharging and fast charging infrastructure will play a crucial role and must be facilitated. The Company is working with public authorities in designing and testing technologies and standards for electric infrastructures.

CSR ISSUE/CHALLENGE #2: Industrial and site carbon footprint

Although the emissions associated with fuel and electricity consumption in our manufacturing and other facilities represents a small part, around 1%, of the Company’s overall carbon footprint, we are committed to reducing carbon emissions from industrial operations and non-manufacturing facilities. We regard this effort as an important factor in tackling climate change. As far as vehicle manufacturing is concerned, the major cause of greenhouse gas emissions is energy consumption. To reduce our impact on climate, Stellantis acts on several levers such as optimizing the energy efficiency of manufacturing processes, using electricity derived from carbon-free renewable sources and adopting more efficient technologies.

Company’s public position

At Stellantis, we are committed to contributing to a decarbonized economy by engaging our talented teams and assets on the road to carbon neutrality across our products, plants and other facilities. The Company has been rolling out a process for controlling its environmental impact and ensuring continuous improvement. Based on

our experience (vast majority of our plants are, or are becoming ISO 14001-certified, and the environmental footprint of its manufacturing operations being regularly reduced; 55% of our plants in South America have already neutralized the scopes 1 and 2 of their certified emission inventories, as they buy renewable energy and offset the residual carbon emissions; sourcing 100% of green electricity contracts for eleven plants), we are convinced that the energy transition requires that all actors of the economic ecosystem join forces. Manufacturing companies need to find affordable and available energy sources to implement their decarbonization pathway. Public authorities have a major role with aligning applicable regulations on similar deadlines and with consistent content.

We also believe solutions need to continue to be found or consolidated: we encourage governments to support research and development efforts related to carbon capture and storage technologies that should contribute to decarbonization.

CSR ISSUE/CHALLENGE #3: Carbon footprint of the supply chain: purchasing and logistics

In addition to emissions from vehicles and manufacturing, there are significant emissions that come from outside the organization. These additional emissions are connected with our activities. The CO₂ emissions related to the purchase of goods for use in our products represents more than 10% of the overall European carbon footprint of the Company while inbound and outbound transportation accounts for about 1%.

We are committed to contributing to a decarbonized economy by following the principles of the Paris Agreement. We engage in this journey with our supply base to support our leadership in clean and advanced technologies for mobility solutions. We also ask them to commit to the same objectives of reducing their impact on the climate.

Stellantis works to reduce the CO₂ emissions associated with logistics as the environmental impact of inbound and outbound transportation is far-reaching, ranging from local impact, such as sound, air pollution, etc., to global warming. The challenge is to optimize transport plans, loads and volumes and the use of multimodal transport.

Company's public position

Stellantis supports the decarbonization development of suppliers in the automotive industry through several organized initiatives. These include local and worldwide initiatives of the automotive industry, amongst them several in Europe and North America at a national (PFA; AIAG; VDA; ANFIA) and regional level (by the ARIAs, automotive competitiveness clusters, regional automotive industry associations; ACEA) with public authorities and the administration ([refer to 7.1.6 >](#)).

The Global Purchasing and Supply Chain Division supplements this automotive industry network and its ecosystem by appointing regional leadership in each manufacturing cluster around the world.

It involves suppliers in the Company's approach to reducing CO₂ emissions in the supply chain, i.e., emissions by its suppliers for the production of goods and services purchased by the Company. Stellantis GPSC strategy in monitoring suppliers CO₂ emissions is supported by various external partners, like the CDP Supply Chain Module and EcoVadis ([see section 2.7.3.2 >](#)).

Stellantis is aware that environmental matters are global and transversal in their scale and as such recognizes the importance of a holistic approach to the environmental footprint of our operations as well as that of our suppliers.

Stellantis supports both carbon neutrality objectives as well as the need for an environmental level playing field. The focus of the European Commission proposal for a carbon tax on steel and aluminum production is meaningful as these two materials account for a large portion of the CO₂ emissions in the supply chain of vehicle production. Stellantis supports the general idea of a carbon price and more specifically a carbon border taxes provided that (1) the taxes do not disproportionately impact domestic production compared to imported vehicles and (2) any extension of the scheme carefully assesses the cumulative impact on the competitiveness of the local production and is implemented in a gradual manner.

Stellantis welcomes the European Union decision to improve and increase multimodal transport solutions and is looking for opportunities for Stellantis European plants. The Company is also attentive to the evolution of transport regulations, and is favorable to new and innovative solutions that enable freight transport to reduce GHG emissions such as Gigaliners.

2.2 FORWARD-LOOKING CLIMATE VISION AND TARGETS



CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
Carbon footprint reduction in the whole value chain Owners Chief Planning Officer >>>	Contribute to a global carbon neutrality, with an ambitious carbon footprint reduction roadmap	GHG emissions reduction (%) (absolute GWP in scope 1 and 2, intensity GWP (per veh) for scope 3 - 1.5°C scenario - Global	2022: refine emission reduction trajectories aligned with 1.5°C scenario per region	2030: reduce GHG emissions by 50% vs 2021 level	2038: Carbon Net Zero, with single digit % compensation of residual emissions vs 2021 level ¹	2021 is the baseline for Stellantis trajectory
CSR issue #1 Vehicle CO₂ emissions Owners Chief Planning Officer >>>	Propose a wide range of Low Carbon mobility devices, rapidly available in countries of operations, to contribute to the race to carbon neutrality, by leading CO₂ emissions reduction²	Percentage of nameplates with LEV offering (focus on U.S. and EU)	2025: EU PC: 98% U.S. PC&LDT: 95%	2030: EU PC: 100% nameplates with BEV offering U.S. PC&LDT: 100% nameplates with BEV offering	2038: EU PC: 100% nameplates with BEV offering U.S. PC&LDT: 100% nameplates with BEV offering	EU PC: 40% LEV (15% BEV) U.S. PC&LDT: 10% LEV
		Share of LEV in global sales mix (focus on U.S. and EU)	2025: EU PC: 44% LEV (incl. 34% BEV) U.S. PC&LDT: 37% (incl. 14% BEV)	2030: EU PC: 100% BEV U.S. PC&LDT: 50% BEV	2038: EU PC: 100% BEV U.S. PC&LDT: 100% BEV	EU PC: 12.8% LEV (8% BEV) U.S. PC&LDT: 3.4% LEV

¹The achievement is conditioned by key external enablers: decarbonized energy (based on Announced Pledges Scenario from International Energy Agency), and conducive public policies for BEV (charging infrastructure, purchasing incentives)

²PC = Passenger Car, LDT = Light Duty Truck, LEV = Low Emission Vehicle, BEV= Battery Electric Vehicle

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #2 Industrial and sites carbon footprint Owners Chief Manufacturing Officer >>>	Contribute to a decarbonized economy by achieving net zero emissions within our activities worldwide (scope 1 and 2).	Absolute scope 1 and 2 GHG emissions (tons of CO ₂ -eq)	2025: -50% vs 2021	2030: -75% vs 2021	2038: Carbon Net Zero, with single digit % compensation of residual emissions vs 2021 level ¹	3,874,101 tons of CO₂eq
		Share of decarbonized electricity used (%)	2025: 50%	2030: 100%	2038: 100%	45%
CSR issue #3 Carbon footprint of the supply chain: purchasing and logistics Owners Chief Purchasing and Supply Chain Officer >>>	Oblige our suppliers including the entire supply chain process of all actors (Tier N), therein to support our road to carbon neutrality by bringing innovative solutions and by adopting own GHG emissions reduction trajectories to comply or outreach the Paris Climate Agreement	(1) Share of Annual Purchased Value from suppliers with CO ₂ reduction targets compliant with the Paris Agreement	2025 (1) 80% Annual Purchase Value from strategic (Level 1 and Level 2 ²) suppliers	2030 (1) 95% Annual Purchase Value from strategic (Level 1 and Level 2 ²) suppliers	2038 Carbon Net Zero of the supply chain with minimal compensation ¹	More than 55% of strategic (Level 1 and Level 2²) suppliers committed to comply with the Paris Agreement
		(2) CO ₂ emissions of purchased parts	(2) Award business compliant with CO ₂ emission targets defined for each new EV project	(2) -40% of CO ₂ emissions of purchased parts per EV vs 2021		

¹The achievement is conditioned by key external enablers: decarbonized energy (based on Announced Pledges Scenario from International Energy Agency), and conducive public policies for BEV (charging infrastructure, purchasing incentives)

²Strategic "Level 1" and "Level 2" suppliers represent the most relevant strategic suppliers to Stellantis primarily based on Annual Purchased Value (APV), innovation and additional critical factors

A NET ZERO COMMITMENT TO SUPPORT THE PLANET'S CARBON NEUTRALITY

Stellantis targets to become Carbon Net Zero on the whole value chain by 2038, with single digit percent compensation of residual emissions vs 2021 level.

In order to contribute to the collective global carbon neutrality objective in the most efficient way, Stellantis strategy is based on energy consumption reduction first, then carbon footprint reduction at the maximum, before balancing residual GHG emissions with carbon removal and additional other compensation solutions if relevant.

Impacts on other environmental criteria of Life-Cycle Assessment are also taken into consideration.

To achieve this target, Stellantis has defined a comprehensive, long-term, Carbon Net Zero roadmap, including an intermediate target of -50% reduction by 2030 vs 2021, based on the following key milestones:

- by 2030, Stellantis targets to reduce GHG emissions by -75% on industrial sites and real estate (scope 1 and 2 of GHG protocol) and to use 100% of decarbonized electricity;
- Stellantis continues to reduce the Well-to-Wheel CO₂ emissions of its vehicles, due to electrification roadmap, improvement of BEV efficiencies and fuel consumption of remaining ICE vehicles (scope 3 Use of sold products of GHG protocol). By 2030, Stellantis intends to sell 100% BEV for passenger cars in Europe and 50% BEV for passenger cars and light-duty trucks in the U.S.;
- Stellantis intends to actively engage with its suppliers to reduce the carbon footprint of purchased parts, especially led by an objective of cutting by 40% the carbon footprint of purchased parts of BEV by 2030 (scope 3 Purchased goods and services of GHG protocol).

These objectives can be reached under the condition that the ecosystem adapts at the right pace and is conducive to electrification (public policies, charging infrastructure, decarbonized electricity, etc.).

To establish its targets, Stellantis referred to the Science-Based Targets initiative (SBTi) methodology, based on Sector Decarbonization Approach for transport sector. The 2030 intermediate targets covering absolute GHG emissions from scopes 1 and 2 and Well-to-Wheel CO₂ emissions from scope 3 are in line with Paris Climate agreement and 1.5°C scenario.

The targets are defined assuming no change in the lifetime mileage of vehicles over the years, nevertheless, we will also work on the improvement of the durability of our vehicles.

2.3 IDENTIFICATION AND MANAGEMENT OF CLIMATE RISKS AND OPPORTUNITIES

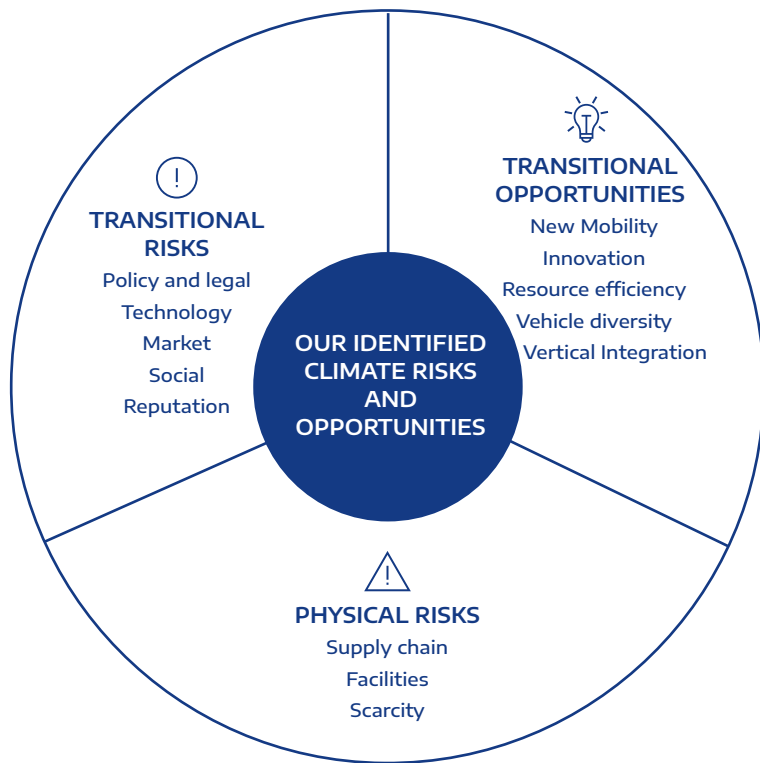


The automobile industry is facing profound economic, regulatory, environmental and societal challenges, notably driven by the fight against climate change. This translates into an increasing pressure from all stakeholders (financial players, customers, regulators, civil society, NGOs and suppliers). In this context, the identification and the management of climate-related risks and opportunities is a key approach for Stellantis to work towards business sustainability.

Managing those risks and opportunities leads Stellantis to define a clear decarbonization strategy, ambitious objectives and efficient enablers.

Given its determination to embed CSR in its decisions and activities, climate risks are managed by specific strategic actions and resources within the area of expertise required. Risks management is integrated at the heart of the strategy across the organization, from the decision-making bodies to the operational entities.

OUR IDENTIFIED CLIMATE RISKS AND OPPORTUNITIES



OUR VISION FOR CLIMATE

>>> Contribute to a global carbon neutrality, with an ambitious carbon footprint reduction roadmap

OUR CLIMATE STRATEGY >>>

- > **Innovation breakthroughs** for low-carbon technologies
- > **Strategic partnerships** to master the EV value chain
- > **New mobility solutions** expansion
- > **Close collaboration and innovation** with stakeholders across the supply chain (purchasing and logistics)
- > **Carbon / energy-efficient and resilient** production assets (Stellantis production way roadmap)

OUR OBJECTIVES FOR 2038¹ >>>

- > **Carbon Net Zero** of the whole value chain (scope 1, 2 and 3) with single digit % compensation of residual emissions vs 2021 level
- > **100% nameplates** with BEV offering in Europe² and U.S.³
- > **100% BEV** sales in Europe² and 100% BEV sales in U.S.³
- > **Carbon Net Zero** of the supply chain with minimal compensation
- > **Absolute greenhouse gas emissions** reduced by more than 90% for scope 1 and 2

OUR ENABLERS >>>

- > Efficient governance with **clear responsibilities**
- > **Solid climate-related risk management** with scenario analysis
- > **Transparent climate monitoring** with ambitious metrics and targets
- > Focused research and development/innovation **investments**
- > Continuous workforce **skill improvement** policy
- > **Benchmark and sharing** best practices to improve overall consumption by plants

¹ commitments, targets and conditions are detailed in 2.2
² for passenger cars
³ for passenger cars and light-duty trucks

CARBON FOOTPRINT

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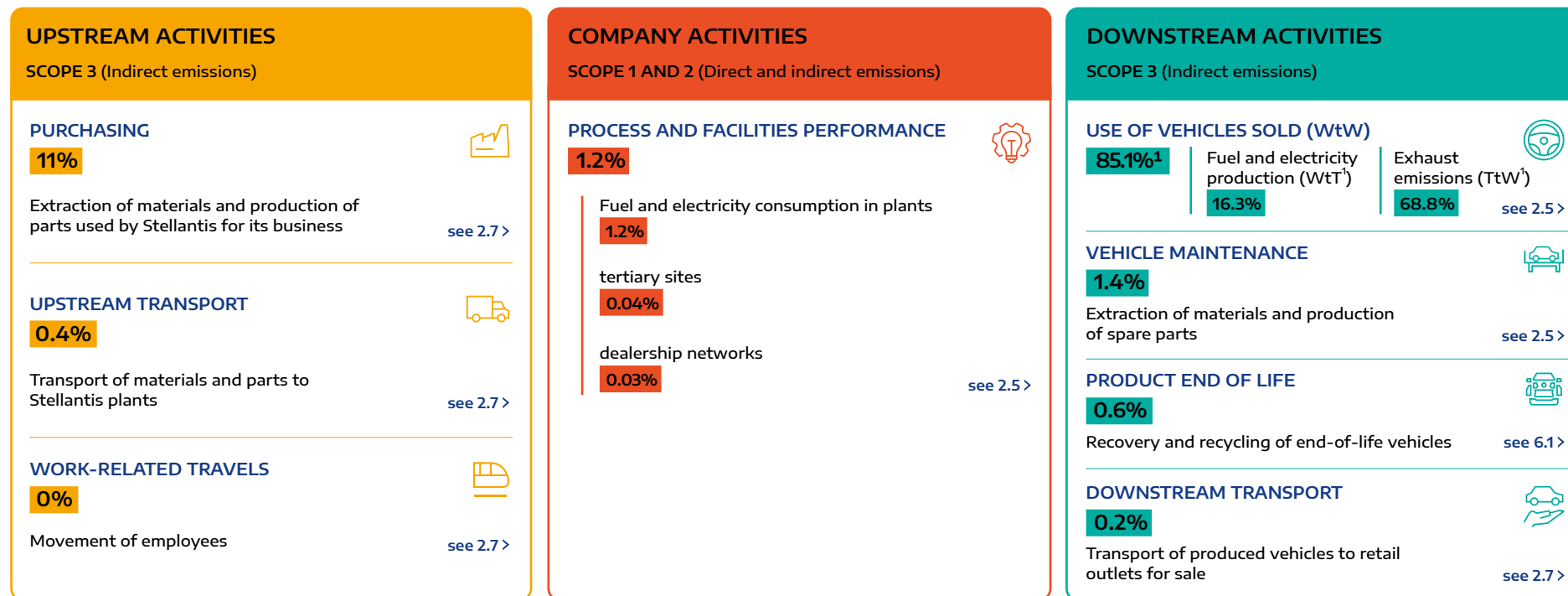
In order to manage its carbon footprint, Stellantis annually quantifies the total CO₂ equivalent of greenhouse gases, primarily CO₂, emitted from its activities over the whole life cycle of its automotive products. As recommended by the SBTi, Stellantis' carbon footprint methodology takes its global activity and the real life emissions of the vehicles into account.

In 2019, Eco Act, a specialized firm in environmental analysis and greenhouse gas diagnostics, verified and approved this method that has been adapted to the Stellantis scope.

The first assessment that has been conducted under the new Stellantis scope is limited to Europe, further global assessment are being developed. In 2021, the total Stellantis emissions of CO₂ equivalent for vehicles sold in Europe amount to 136 million tons.

Total carbon footprint of vehicles sold by Stellantis in Europe during the year: main emission items

GRI 302-2



¹WtW= Well-to-Wheel WtT= Well-to-Tank TtW= Tank-to-Wheel
The steps taken by Stellantis to reduce the emissions of these emission sources are described in the sections indicated.

This assessment considers the following carbon footprints for Europe:

- Carbon footprint of DOWNSTREAM ACTIVITIES: Downstream activities emissions amount to 87% of the CO₂ equivalent emissions of the overall vehicle carbon footprint. The vehicle use phase represents 85% of the overall emissions. While emissions from vehicle maintenance weight 1.4% of the total. The recovery and recycling of end-of-life vehicles account for 0.6% and the downstream transport of produced vehicles to the point of sales account for 0.2%. The assessment takes into account:
 - the use of vehicles produced in 2021 according to the CO₂ emissions data for each vehicle sold and the following operating criteria: real-life consumption assumptions (increase compared to WLTP emissions: +10% for ICE vehicle and +20% for electrical consumption of LEV vehicle) and use over 15 years with 225,000 km driven;
 - the impact of the production of the fuels used by conventional vehicles are evaluated using life cycle analysis (LCA) databases;
 - the impact of the production of the electricity used by the electrified vehicles are evaluated based on forecasted International Energy Agency scenario;
 - the production of spare parts used for the maintenance of the cars, using LCA databases;
 - the vehicle end-of-life modelled on current processes;
 - the downstream transport (for more information, [see section 2.7 >](#)).
- Carbon footprint of UPSTREAM ACTIVITIES: Upstream activities emissions amount to 11.5% of the CO₂ equivalent emissions of the overall vehicle carbon footprint. It includes emissions associated with the extraction of raw materials and the production of parts purchased by Stellantis for its vehicles (11% of total GHG emissions) and the upstream transport of materials and parts to the company's plants (0.4%).
- The assessment takes into account:
 - all component materials of vehicles manufactured in 2021 from extraction to molding and assembly on the vehicle, using life cycle analysis databases;

- the upstream transport (for more information, [see section 2.7 >](#));
- the work-related travel have not been considered due to high level of remote work and strong reduction of business trips.
- Carbon footprint of Company activities: Company activity emissions (direct and indirect emissions) amount to 1.22% of the CO₂ equivalent emissions of the overall vehicle carbon footprint. They are associated with fuel and electricity consumption in manufacturing plants (assembly plants or components factories) for 1.15%, tertiary sites (0.04%) and dealership networks (0.03%). They are derived from a GHG (greenhouse gas) assessments carried out at Stellantis plants, tertiary sites and Company-owned dealership network (for more information, [see section 2.6 >](#)).

2.3.1 FACING REALITY AS IT IS: CLIMATE RELATED RISKS AND OPPORTUNITIES THROUGHOUT THE ORGANIZATION AND ACROSS THE VALUE CHAIN

On the Stellantis materiality matrix, climate change appears as one of the top macro-risks the Company has to tackle. It requires a global and comprehensive response supporting the attainment of our carbon-neutrality target in the long-term as well as our intermediate targets in the short-to-medium term. A clear and transparent acknowledgement of the risks and issues related to climate change is therefore vital for Stellantis to work towards sustainability.

2.3.1.1 Extensive assessment of climate risks

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As part of its Risk Management System, Stellantis uses its company-wide risk analysis framework to assess, manage and report climate-related physical and transition risks and opportunities. This is described in [section 1.2.3 >](#) of this document

Given their potential impact on the Company's situation, the two climate-related risks, 'natural hazards' and 'global carbon footprint', are considered as top risks and presented to the Audit Committee of the Board of Directors.

2.3.1.2. Sowing the seeds of the carbon-neutral future opens new business opportunities

TCFD.Sa TCFD.Sb TCFD.Rc GRI 102-15 GRI 103-2

In accordance with the TCFD recommendations, our climate-related risk assessment sorts risks into two categories: transition risks and physical risks. The assessment of transition climate-related risks considers risks related to the current and emerging regulation, technology risks, legal risks, market risks and reputation risks. As for the assessment of physical climate-related risks, it considers both acute risks from extreme weather conditions such as floods or wildfires and chronic risks such as impacts of rising temperatures and accelerating loss of biodiversity.

While the climate crisis generates transition and physical risks, Stellantis also considers it as an opportunity. The Company's agility enables it to focus on the most relevant market stakes and to rapidly implement decisions made to adapt to evolving mobility expectations. New "low-carbon" mobility solutions and urban mobility markets are becoming significant sources of revenue. Along with operational efficiency and technological innovation, they enhance the leadership and value of Stellantis.

The process used to assess and manage climate-related opportunities is identical to the one used to manage climate-related risks, in the sense that they are embedded within the Company's business lines, with entities managing specific climate issues that are within their area of expertise.

RISK #1: More stringent CO₂ emissions regulations thresholds for car manufacturers

Type of risk: Transition Risk: Policy and Legal

Timeframe: Short-term (until 2025)

Risks	Opportunities	
<p>RISK DESCRIPTION</p> <p>The number, scope and ambition of regulatory requirements regarding greenhouse gas emissions are expected to increase significantly in the future. This concerns vehicle fuel efficiency regulations and emissions standards as well as regulations that apply to Stellantis' production facilities and to most of its suppliers. A failure to comply may lead to fines, vehicle recalls, the suspension of sales and may adversely affect Stellantis' reputation. Stellantis takes this risk into account because the Company sells vehicles in countries where regulations on fuel consumption are severe.</p> <p>POTENTIAL IMPACT</p> <p>Stellantis must devote financial and management resources, vehicle engineering and design attention, to these legal requirements. Emissions standards applying to production facilities may require investments to upgrade facilities, thus increasing operating costs. Because these regulations drive investors to monitor the carbon intensity of their asset portfolios, a failure to comply may have risk profile impacts and increase credit costs. A failure by suppliers to meet applicable environmental laws or regulations may lead to a disruption of Stellantis' supply chain or to raw materials and components price increases.</p>	<p>MITIGATION STRATEGY</p> <p>Developing an increasingly low carbon offer relying on an ambitious electrification roadmap.</p> <p>Refer to section 2.5.3 ></p> <p>Investing in process improvements to transform production locations in a more efficient and sustainable condition to make them less energy-intensive and increase the renewable energy usage.</p> <p>Refer to section 2.6 ></p> <p>Engaging suppliers on climate-related issues to avoid supply chain disruptions due to more stringent emissions regulations.</p> <p>Refer to section 2.7.3.1 ></p> <p>Relying on a strong vertical integration strategy to reduce the Company's dependency on suppliers and to reduce the risk of supply chain disruptions or cost increases due to emissions-related regulations.</p> <p>Refer to section 2.5.3.2.2 ></p>	<p>ADDITIONAL OPPORTUNITIES</p> <p>Reducing vehicle diversity. Mindful of vehicle CO₂ emissions regulations compliance, Stellantis is reducing its vehicle diversity to focus on developing environmentally friendly technologies that can be rolled out on a large scale.</p> <p>Associating suppliers to decarbonized energy. In Brazil, where the electricity originates almost entirely from renewable sources, most of Stellantis' plants already neutralized their residual emissions, . Stellantis associated its onsite suppliers in Goiana to decarbonized energy so they could also neutralize their impacts.</p> <p>Refer to section 2.6.3.4 ></p> <p>Increasing business attractiveness. Stellantis considers complying with European Taxonomy regulation by properly disclosing the share of Taxonomy-aligned turnover and expenditures (capital and operational) will provide several opportunities, such as demonstrating to customers, media and financial markets our incremental contribution to sustainable mobility and confirming our attractiveness as taxonomy will allow comparison between companies of the same sector regarding their share of Taxonomy-aligned activities. The Company will have access to new financial instruments at favorable conditions, such as EU Green bonds.</p>

RISK #2: Impacts on the business model of the transition to low carbon technologies

Type of risk: Transition Risk: Technological

Timeframe: Short-term (until 2025)

Risks	Opportunities	
<p>RISK DESCRIPTION</p> <p>The registration of LEVs is increasing sharply and is expected to keep growing.</p> <p>POTENTIAL IMPACT</p> <p>The transition to low carbon technologies may lead to an increase in vehicle price and have a negative impact on the demand addressed by the company's products, especially if government subsidies for EV sales are not maintained. Manufacturers may not be able to generate profit from LEV sales as anticipated since competitive pricing might be used in order to win market share, while adversely affecting profits. Technological capabilities may prove short-lived if BEVs replace PHEVs sooner than expected. After-sales revenue may also be impacted as EVs require less maintenance than ICE vehicles. The transition to LEVs could create a loss of added value if carmakers fail to obtain expertise in electrified technologies. Since EV manufacturing reduces the number of workers needed per vehicle produced, increased LEV sales could impact workforce volume. However, eventual delays in the development of new technology for electrification may result in the loss of revenue and market shares. The inability to keep up with the market's electrification trends would prevent the company from complying with CAFE regulations.</p>	<p>MITIGATION STRATEGY</p> <p>Speeding-up the electrification of the car line in all segments. Stellantis aims to over perform the market with its LEV sales, anticipating LEV pricing improvements due to a reduced Total Cost of Ownership.</p> <p>Refer to section 2.5.3.2 ></p> <p>Gaining control over EV components supply chain to maintain the value added.</p> <p>Refer to section 2.5.3.2.2 ></p> <p>Optimizing battery cost. The Battery Management System aims to maximize the useful energy in real life, and controlling the aging to postpone discharge as much as possible.</p> <p>Anticipating the impacts of the company's decarbonization strategy on its workers, in a "just transition approach" Stellantis boosts its workers' employability through training programs. The powertrain and gearbox industrial strategy is often on the agenda of employee representative bodies meetings.</p> <p>Refer to section 3.1.4 > and 3.2.7 ></p>	<p>ADDITIONAL OPPORTUNITIES</p> <p>Selling highly efficient LEVs to gain a competitive advantage. Increased battery longevity and efficiency would increase EV range and, in turn, the demand for these vehicles.</p> <p>Refer to section 2.5.3.2.4 ></p> <p>Selling batteries to third parties. Our vertical integration strategy provides us with the opportunity to sell batteries to other automobile manufacturers and therefore generate additional revenue.</p> <p>Placing a Zero-emission hydrogen fuel cell offer complementary to the battery-electric solutions.</p> <p>Refer to section 2.5.2 ></p> <p>Launching a fast charging network across Europe to encourage EV adoption by supporting the EV ecosystem.</p> <p>Refer to section 2.5.3.2.3 ></p>

RISK #3: Insufficient supply of critical raw materials to satisfy the production needs related to LEVs

Type of risk: Transition Risk: Market

Timeframe: Short-term (until 2025)

Risks	Opportunities	
<p>RISK DESCRIPTION</p> <p>The transition from ICE to electrified vehicles is modifying the need for raw materials. As Stellantis implements electrified powertrain applications throughout its portfolio, it depends on a significant supply of lithium, nickel and cobalt and on the supply of parts.</p> <p>POTENTIAL IMPACT</p> <p>Increased market power of raw materials and batteries suppliers may negatively impact Stellantis' ability to negotiate with its suppliers and may provoke raw material inflation. Price increases would increase Stellantis' operating costs and could reduce profitability. If the increased costs are passed through to customers via higher vehicles prices, the demand addressed to the products sold by Stellantis might decrease. Certain raw materials needed in lithium-ion batteries are sourced from a limited number of suppliers and countries. These may be susceptible to supply shortages or disruptions. Their sourcing may also cause negative environmental or social impacts. The global demand and supply of a single part could have huge impacts on our production. If Stellantis fails to optimize the raw materials and components used in its manufacturing processes, it may face increased production costs.</p>	<p>MITIGATION STRATEGY</p> <p>Implementing battery circular economy solutions to reduce automobile manufacturers' pressure on scarce raw materials. Refer to section 6.1.7 ></p> <p>A vertical integration strategy regarding LEVs production. Automotive Cells Company (ACC - European partnership with TotalEnergies and Mercedes-Benz) and other two JVs (one with Samsung SDI and one with LG energy Solutions in North America) planned five gigafactories in Europe and North America by 2025. Those are meant to secure Stellantis' battery supply. Refer to section 2.5.3.2.2 ></p> <p>Carbon free European and North American lithium sourcing. Stellantis signed direct off take contracts with lithium geothermal partners. Tier 1 battery suppliers also secured anode/cathode supply contracts in Europe. Refer to section 6.1.7.6 ></p>	<p>ADDITIONAL OPPORTUNITIES</p> <p>Planning dual chemistry battery strategy and solid-state batteries.</p> <p>From 2024 dual chemistry strategy based on two cobalt free batteries to relieve EVs of raw materials concerns.</p> <p>Joint development agreement signed with Factorial Energy to become a significant player in the solid-state batteries market in 2026. Refer to section 2.5.3.2.4 ></p> <p>Relying on alternative sourcing. Stellantis promotes the materials coming from recycling supply chains. Engineering resources are dedicated to increasing their rate in the production of vehicles. Refer to section 6.1.7.2 ></p> <p>Reducing CO₂ emissions in the supply chain. Resource efficiency is an opportunity to combine competitiveness and climate change mitigation. Reducing the consumption of raw materials is a win-win situation: it reduces the purchases expenditures as well as the carbon footprint. Refer to section 2.7 ></p>

RISK #4: Changing mobility market due to shifts in customer preferences

Type of risk: Transition Risk: Market

Timeframe: Medium-term (2026-2035)

Risks	Opportunities	
<p>RISK DESCRIPTION</p> <p>The automotive industry is facing disruptive trends that range from the emergence of the mobility services market to the acceleration of new technologies such as the autonomous vehicle. Automotive markets are shifting from vehicle ownership to shared mobility services that change the use of the vehicle fleet. More environmentally conscious consumers turn to product-service systems that encourage the collaborative consumption of goods and services. In some areas of the world, consumers are more reluctant to buy new vehicles and would rather look for shared mobility services. The risk for Stellantis is insufficient adaptation of its business model to new forms of mobility.</p> <p>POTENTIAL IMPACT</p> <p>As new forms of mobility gain consumer acceptance, vehicle sales may decrease in some markets. The loss of revenue could affect profitability, lead to asset impairment and a fall in their securities valuation. The mobility service market may negatively affect the strength of Stellantis' brands: new mobility services make it harder to differentiate a company's products from those of its competitors and therefore harder to encourage customer loyalty.</p>	<p>MITIGATION STRATEGY</p> <p>Developing a portfolio of mobility services to prevent any gap between the market and Stellantis' business strategy. Free2Move and Leasys aim to compete with other actors, in and out of the automotive sector, on subscription economy trends. They represent opportunities for Stellantis to increase its revenue and gain market share outside of its traditional segments.</p> <p>Refer to section 4.1.7 ></p>	<p>ADDITIONAL OPPORTUNITIES</p> <p>Pursuing revolutionary autonomous driving projects as part of a multi-partner strategy. While tech players and start-ups should play an important role in the development of the autonomous vehicle market, it also represents a huge opportunity for traditional carmakers who manage to launch innovative high technology projects.</p> <p>Refer to section 4.1.7 ></p>

RISK #5: Increased frequency and severity of extreme weather events and water shortages

Type of risk: Physical Risk: Acute

Timeframe: Medium-term (2026-2035)

Risks	Opportunities	
<p>RISK DESCRIPTION</p> <p>Science shows that extreme weather events are becoming more frequent and intense, that incremental climatic changes are very likely to happen, and that their impacts are expected to grow more severe over the coming years and decades. The impacts of physical risks are uncertain, in probability, magnitude and timing.</p> <p>Water shortages represent a direct risk for Stellantis since its manufacturing sites use water for production processes. In 2021, 36 plants were located in a high water-stressed area (according to the World Resources Institute Aqueduct “baseline water stress” indicator). These sites represent 31% of the Company’s production volume.</p> <p>POTENTIAL IMPACT</p> <p>Stellantis’ production facilities and supply chain are subject to risks related to natural disasters, such as earthquakes, fires, floods, hurricanes and other climatic phenomena. Any catastrophic loss or significant damage to any of its facilities would likely disrupt Stellantis’ operations, delay production and adversely affect its product development schedules and shipments and lead to a loss of revenue. Our suppliers and the entire extended supply network is also vulnerable to these same disruptive impacts, potentially leading to disruption in the supply of parts for Stellantis. The occurrence of a major incident at a single manufacturing site could compromise the production and sale of several hundred thousand vehicles. Any such loss or significant damage could result in expense to repair or replace the facility. Physical climate-related risks could also have an impact on the cost of insurance. Conflicts of use in water stressed areas could have significant repercussions, notably economic and social impacts that would change the company’s relations with some of its stakeholders. Inadequate water supply for the painting and refrigeration processes would increase Stellantis’ operating costs. Conflicts of use in water stressed areas could also have significant repercussions, notably economic and social impacts that would change the company’s relations with some of its stakeholders.</p>	<p>MITIGATION STRATEGY</p> <p>Making and updating plans for business continuity and activity recovery at sites, according to their exposure to the risks and their criticality. Stellantis evaluates the probability of future impacts due to earthquakes, flooding, storms and hurricanes on its sites. Suppliers are encouraged to do the same. Stellantis is able to identify the most resilient supply chain options and associated suppliers.</p> <p>Refer to section 2.3.1.3 ></p> <p>Relying on an effective risk-assessment method to evaluate the use of water in water-stressed facility locations and, as a result, to mitigate future climate change impacts in those areas.</p> <p>Refer to section 6.3.5 ></p> <p>Striving for responsible water stewardship. To anticipate conflicts of use in water stressed areas and to comply with a developing regulatory framework, Stellantis set the objective to reach 1 m³ of water withdrawn per vehicle produced in industrial activities, an improvement of almost 80% compared to current performance.</p> <p>Refer to section 6.6.2 ></p> <p>Proactive environmental management of the supply chain</p> <p>In order to minimize risks and avoid supply chain incidents we monitor and require ISO 14001 Certification from our supply base as well as Carbon accounting activities covered by the Stellantis Supply Chain CDP Program. For strategic suppliers we additionally review environmental topics during the Top supplier Meetings. Operationally we work to optimize our supply chains by optimization of transport plans and -routes.</p> <p>Refer to section 7.1.3 ></p>	<p>ADDITIONAL OPPORTUNITIES</p> <p>Reusing effluents for industrial use. Stellantis filters flushing water from the paint pre-treatment process and water from reverse osmosis to reuse them as industrial water.</p> <p>Refer to section 6.3.5 ></p>

Impacts of climate-related risks on stellantis CSR issues

CLIMATE SENSITIVE ISSUE	TRANSITIONAL RISKS				PHYSICAL RISKS
	Policy and Legal risks	Technological risks	Market risks	Reputational risks	
Vehicle CO ₂ emissions	✓	✓	✓	✓	
Carbon footprint of the supply chain: purchasing and logistics	✓	✓			✓
Industrial and sites carbon footprint	✓	✓		✓	✓
Vehicle impact on air quality	✓	✓	✓	✓	
Responsible information to customers	✓		✓	✓	
Development of new mobility solutions (including autonomous vehicles)		✓	✓	✓	
Management of company transformations and social dialogue		✓		✓	
Attracting and developing all talent		✓		✓	
Wise use of material in the vehicle life cycle (including product recycling)		✓		✓	
Responsible purchasing practices (including local sourcing development) to support the company's development in host territories					✓
Sustainable water management in manufacturing				✓	✓
Optimization of material cycles in industrial processes (including waste)		✓			
Protection of biodiversity				✓	

✓ High climate sensitivity
✓ Moderate climate sensitivity

This table shows which climate risks may have an impact on Stellantis climate-sensitive CSR issues on the short or medium-term. The higher the climate sensitivity is, the more the climate risks affect Stellantis activities for those same CSR issues. For each issue, Stellantis adopts measures proportionate to its position in the materiality matrix and its sensitivity to climate.

2.3.1.3 A specific management of physical climate risks

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Identifying and assessing the medium and long-term evolution of climate changes in terms of frequency and severity are key for Stellantis to build appropriate adaptation plans, manage the related financial impacts and mitigate the risks. In its global risk assessment, Stellantis evaluates the physical risks on its owned sites as well as in its supply chain. Indeed, extreme weather events or natural disasters could damage production facilities owned by Stellantis and its suppliers' sites, disrupting production and leading to costly delivery delays for the end customer, or resulting in plant repair costs.

For its own operations, Stellantis has implemented assertive industrial risk prevention strategies designed to:

- prevent the occurrence of major incidents;
- limit and control high-risk situations;
- enable the various Stellantis structures to deal with emergency and crisis situations;
- promote a risk prevention culture;
- and optimize the transfer to the insurance market of high frequency risks.

Stellantis sites continue to build and update their plans for continuity and recovery of operations according to their exposure to the risks and their criticality to the business. To evaluate the physical risks of Stellantis sites, the Company insurance partners use natural disaster risk analyses from insurance databases, such as NatCatService from Munich RE. They monitor and analyze the number of past geophysical, meteorological, hydrological and climatological events and their related financial losses. They also project future occurrences of natural disasters and their potential physical impacts. Based on this data, Stellantis evaluates the probability of future impacts due to earthquakes, flooding, storms, and hurricanes on all its sites. This methodology was applied globally to 120 sites worldwide. As flood events are

among the most relevant natural hazards that could affect Stellantis sites, a specific flood risk assessment study was done on the sites that were potentially exposed to a higher flood risk across the regions. The sites also continue to develop prevention plans based on those analyses with the adapted protocols, whereby investment requests regarding risk management are presented.

In its global risk assessment, Stellantis not only evaluates the physical risks on its owned sites, but also in its supply chain. The strategy to manage physical climate-related risks along the supply chain begins with a simplified, semi-quantitative approach used to prioritize suppliers, which helps focus on those crucial suppliers with the greatest potential impact or loss likelihood to Stellantis supply chains. A second step entails a methodology and supporting tool that allows Stellantis to assign a risk management maturity index to the supplier risk management processes. The final step is to work with specialized third-party risk research and development advisors to identify and quantify risks that could impact the supply of components to Stellantis and develop adequate action plans to mitigate those risks.

In terms of supplier selection processes, climate-related physical risks analyses based on the same tools are also used on suppliers' sites based on their GPS coordinates. Stellantis is therefore able to identify the most resilient supply chain options and associated suppliers.

Another way to manage climate-related physical risks in the supply chain is to support the increase in the recycling rates of critical raw materials and favor the integration of recycled material in our vehicles which also reduces the Company's dependence on raw materials supplies. For more information, [see section 6.1 >](#)

2.3.2 RESILIENCE STRATEGY BUILT WITH CLIMATE-RELATED SCENARIOS

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In order to assess the impacts of both transition and physical climate-related risks in its strategy and planning and thus to build an effective resilience strategy, Stellantis takes into account how these risks could potentially evolve and what their implications might be. Indeed, most impacts of climate change are likely to affect Stellantis' business and strategy in the medium-to-long term. This generates uncertainty concerning future climate events and the solutions that might be encountered to mitigate these risks. On those grounds, the company uses qualitative and quantitative climate-related scenario analysis for three main purposes:

To make technology mix projections

The assessment of transition climate-related risks is based on a qualitative and quantitative climate-related scenario analysis. The scenarios used by Stellantis notably include potential scenarios for technological development or market conditions. Marketing and products division teams use various climate-related scenarios based on internal assessment, that are benchmarked with business partners and external scenarios developed by climate specialists, to ensure consistency with 1.5°C scenario.

The output of those scenarios is the potential market evolution by energy and technologies and for different geographical zones, taking into account electricity mix projections in the countries considered. This analysis enables Stellantis to understand the minimum and maximum thresholds of electrified vehicles needed on the market to be aligned with Climate Paris Agreement. The use of climate-related scenarios also helps identifying the share of effort to be made to optimize CO₂ emissions on conventional thermal vehicles in order to reach Stellantis target relating to the average CO₂ emissions of all vehicles.

To set greenhouse gas (GHG) emissions reduction targets

The use of climate-related scenarios supports the development of company-wide climate-related targets and the targets defined for scopes 1, 2 and 3 are aligned with a 1.5°C scenario. The assumptions for the decarbonization of electricity are based on the International Energy Agency scenarios.

To measure Stellantis' assets exposure to climate events

Stellantis' assessment of physical climate-related risks for Stellantis assets and for its suppliers is based on a qualitative and quantitative climate-related scenario analysis. The Company relies on its insurances partners who notably use natural disaster risk analyses from insurance databases, such as NatCatService from Munich RE or Sigma from Swiss RE. One of the most extreme scenarios considered in these databases is the IPCC RCP 8.5 scenario, the "worst-case climate scenario" studied in the IPCC fifth assessment report.

2.3.3 CLIMATE EMBEDDED INTO BUSINESS PLANNING VIA THE USE OF AN INTERNAL PRICE OF CARBON

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Stellantis has implemented two distinct internal carbon prices.

A shadow price of carbon to reveal industrial climate-related risks and opportunities

All plants have CO₂ reduction targets and are required to present roadmaps to reach Stellantis carbon net zero ambition and present yearly progress.

The decision making process which allows capital investments in carbon reduction projects takes carbon price into account as well as the alignment with the decarbonization goals.

An internal carbon price to measure the cost efficiency of technical levers that reduce vehicle CO₂ emissions

Stellantis uses an internal carbon price to measure the cost efficiency of technical levers that reduce vehicle CO₂ emissions. This allows Stellantis to propose an optimized set of CO₂ reduction levers on its vehicles based on a cost-efficiency analysis.

2.4 CLIMATE GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS



SASB-410a.3

In order to have an efficient governance to support the implementation of decisions related to climate actions, Stellantis has embedded climate issues at various levels of the organization, with responsibility exercised within the Company's management and executive functions. Taking steps for climate to be central in decisions and operations can protect performance and enable Stellantis to improve its economic and financial efficiency by safeguarding the value of its assets, managing its risks more effectively and protecting its value and sustainability in the medium- to long-term.

2.4.1 SUPERVISORY BODIES: STRIVING FOR LONG-TERM CLIMATE RESILIENCE

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GRI 102-19

GRI 102-20

Bodies responsible for climate risks and opportunities oversight and control

Stellantis N.V. has a one-tier management structure: the Board of Directors is responsible for management and strategic direction of the Company as well as oversight and control.

The CEO is supported by the Top Executive Team aiming to secure worldwide profitable growth for Stellantis.

Within this governance structure, the Board of Directors considers subjects that link to the strategic plan. Climate being a key topic, the Board of Directors ensures that the strategy fits with Stellantis long-term vision and climate resilience, but also that related risks and opportunities stemming from the effects of climate change are properly identified and managed.

The CEO and the Strategy Council are responsible for defining the overall environmental strategy, including Climate related policies. The CEO reports to the Board of Directors.

Major strategic projects with significant impact on the CO₂ emissions of the Company

or its products are being brought to the Board of Directors for review and decisions. Those projects can be related to vehicle CO₂ emissions reduction, as well as product planning or new mobility offers with CO₂ emission reduction targets.

Other major projects that can be impacted by the consequences of climate change, such as location of new sites, are also reviewed by the Board.

The Board reviews the related financial implications of strategic projects with significant impact on CO₂ emissions, such as the CAPEX or strategic transformation needed to implement these projects. The Board discusses these projects for approval after being informed about aspects such as CO₂ emission consequences and expected changes in the future mobility market.

During Board meetings, Stellantis' strategic climate commitments, their implementation and their progress vs targets, are presented to the Board of Directors, in order to deliver relevant information on the climate-related CSR issues impacting the organization.

Board of Directors committees: incorporation of climate related topics

With its 11 members, the Board of Directors has implemented three Committees with specific roles:

- the Audit Committee;
- the ESG Committee;
- the Remuneration Committee.

These specialized Committees prepare and produce work for the Board of Directors. Each Committee issues proposals, recommendations and opinions within the scope of its responsibilities.

ESG Committee

The ESG Committee is responsible for monitoring and evaluating reports on the Company's sustainable development policies and practices, management standards, strategy, performance and governance globally. It is also responsible for reviewing, assessing and making recommendations regarding strategic guidelines for sustainability-related issues and reviewing the annual CSR Report.

In 2021, climate change-related topics have been addressed by the Committee in its meetings.

2.4.2 EXECUTIVE BODIES: PUTTING CLIMATE RESPONSIBILITY AS A CENTRAL THEME IN EXECUTIVE DECISION-MAKING

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The Top Executive Team has a broad reach across the organization; therefore, it has a global vision of climate-sensitive challenges and the impacts these challenges have on the Stellantis business model and management bodies. The Top Executive Team monitors progress against climate commitments and objectives, and reviews the top risks with a particular focus on climate change, especially vehicle CO₂ emissions, as the most strategic CSR issue for Stellantis.

Therefore, climate-sensitive issues are embedded in decisions made by the Top Executive Team on reviewing and guiding major plans of action, annual budgets or business plans.

At the Executive level, two global Committees review climate-related topics:

The Strategy Council

The role of the Strategy Council is to look at the long-term future and potential courses of action for growth and to define the Strategic Plan and validate the corresponding investment plans. Since the topic of CO₂ emissions of vehicles is a strategic issue for Stellantis, the Strategy Council's role is to verify that proposals on these topics fit the Company's strategy and its execution.

The Strategy Council meets monthly, notably to direct the strategy regarding vehicle CO₂ emissions with the Top Executive Team. The main objectives relating to CO₂ are to:

- Share the forecast of vehicle CO₂ emission average for short, medium and long-term in different countries and geographical areas (especially where CAFE/CO₂ regulation exists, such as in the U.S., Europe, China, Brazil, Japan, Korea, India, Australia, etc) and decide on action plans.
- Share the scenarios related on hypotheses worked out by the Company's experts:
 - using internal data related to Stellantis' current technologies;
 - using external data related to climate scenarios and market trends (regulation assumptions, energy mix evolution, uptake of electrified vehicles...);
 - covering risks regarding the supply chain (shortages, climate and health-related events...).

- Make the necessary decisions and approve action plans worldwide (technical enablers, product plan adaptation and strategy) to target compliance, covering the most likely scenarios and reaching CO₂ emission targets.

The range of attendees demonstrates that the CO₂ issue is at the core of Stellantis activities and strategy: the CEO is the Chairman of the Strategy Council. Top Executive Team members from Planning, Manufacturing, Purchasing and Supply Chain, General Counsel, Human Resources and Transformation, Finance, Regions, Brands and Engineering also participate. The frequent briefings of Top Executive Team members during the Strategy Councils about climate-related topics such as Life Cycle Assessment or carbon neutrality are meant for top managers' to be up-to-date regarding climate change.

The Industrial Committee

Reflecting Stellantis' commitment to embed CO₂ issues within executive decision-making, the Industrial Committee has been established in 2021. It provides Executive bodies within Stellantis with a global overview of CO₂ issues within industrial activities. This instance validates the mid- and long-term vision about CO₂ emissions from industrial activities. This committee reviews all initiative related to the plants to ensure that they are following the decarbonization strategy (for more information, [see section 2.6.3 >](#)).

Strategic and operational decision-making to drive climate risks and opportunities management across the organization

In the planning division, the CO₂ **Corporate office** is leading a global cross-functional team to drive all the action plans to go towards CO₂ emissions reduction and carbon net zero objective.

The **Executive Vice President, Planning** holds direct and specific responsibility on corporate CO₂ emission average, provides orientation for the development of new vehicles and in particular low-carbon vehicles. The Planning division translates Stellantis strategy into product plans and supervises their implementation by steering the development of vehicle and subassembly programs with the responsibility for their economic performance.

Several climate issues fall into the scope of the **Executive Vice President, Engineering**, who supervises the research and development of low emission technologies as well as the reduction of the impact on air quality of the Company's technologies and the wise use of material in the vehicle life cycle.

The **Executive Vice President, Purchasing and Supply Chain**, is involved in reducing emissions from purchased goods and services since they will represent an increasing portion of the Company's CO₂ footprint. The division monitors the environmental performance and CO₂ emissions of suppliers and uses local sourcing as a way to enhance CO₂ performance of Stellantis. It also manages the logistics challenges on CO₂ emissions.

The **Executive Vice-President, Manufacturing**, coordinates the deployment of Stellantis environmental policy for manufacturing and research sites. In addition, the Executive VP manages an annual investment plan that targets plant operations compliance with regulatory changes, while mitigating pollution and environmental risks. In addition to product strategy, which emphasizes the development of low-carbon vehicles, the Executive Vice-President Manufacturing focuses the Manufacturing Division on programs and actions to reduce the Company's carbon footprint notably through a reduction of energy consumption and an increase renewable sources.

The **Executive Vice-President, Customer Experience**, is responsible for the Company's Quality Policy and the Conformity Of Production of the homologated vehicles, notably their conformity to the vehicles CO₂ emission requirements.

The **Executive Vice President, Human Resources and Transformation** contributes to the Company's transition to a low-carbon economy by providing the necessary skills through the attraction of talent, the upscaling of employees and the co-construction of the Company's future via social dialogue with employees' representatives. In addition, the Human Resources and Transformation Division is widely developing teleworking and online meetings to reduce the carbon footprint linked to employees commuting daily from home to the workplace or travelling between Company locations. Real Estate assets are also managed to minimize their carbon footprint and their resilience to physical risks. This EVP also supervises the Audit and Compliance Department in charge of the Company's risk management and internal control.

The Executive Vice-Presidents for mobility and connectivity services, have an essential role in the implementation of new mobility solutions and the development of Free2Move and Leasys, Stellantis' mobility brands, with the ambition to make them the preferred mobility service providers for customers.

The Office of the General Counsel provides climate change-related, CO₂ regulatory updates and legal support to the Company's organizations. Among other matters, it deals with GHG-related governmental enforcement and private litigations. The Public Affairs Department, under the responsibility of the General Counsel, is responsible for supporting the Company's interactions with institutions concerning climate.

Finally, across the regions and brands, consistency on climate change is also targeted at the Top Executive Team level, since the Executive Vice-Presidents of the Company's geographical business regions or brands are in charge of implementing climate action plans in their area of responsibility and working to the achievement of the objectives set by the Executive Committee.

2.4.3 EMBEDDING CLIMATE ACROSS VARIOUS MANAGEMENT LEVELS

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Climate risks and opportunities management is shared across the organization. Meeting the climate-related commitments is highly strategic for Stellantis. Therefore, CO₂ dedicated targets are annually set at various management levels and according to job perimeters (defined and reviewed during the annual performance review). Corresponding incentive plan are in place to foster the climate performance of the Company and the achievement of the set targets. Individual salary raises and bonuses are linked to the annual performance assessment, which can notably take into account some of the following carbon-related targets for certain employees.

Examples of incentives plans for the management of climate-related issues

Organizational Divisions	Climate-related targets
All Stellantis employees eligible for the incentive plans	Annual CO ₂ emission target is used as a payoff trigger for the variable compensation.
Chief Executive Officer	Annual and multi annual CO ₂ reduction targets on the CO ₂ emissions of the vehicles sold.
Top Executive Team members	Targets dealing with Stellantis' position in vehicle efficiency (vehicle CO ₂ emissions, new mobility services development, share of electrified vehicles, etc.).
Planning	Short-term CO ₂ related targets, on the implementation of specific programs aligned with the ambition to reduce average CO ₂ emissions of the vehicles sold worldwide. Vehicle project managers can have targets based on vehicle CO ₂ performance.
Manufacturing	Short-term CO ₂ reduction targets based on improved energy consumption and increased share of decarbonized electricity. Energy, environment and facility managers are operationally involved in facilities environmental management and energy saving and have targets related to energy savings in terms of CO ₂ emission reduction.
Purchasing and Supply Chain	Short-term CO ₂ reduction targets based on the increase of the share of strategic suppliers demonstrating a CO ₂ trend compliant with the Paris Agreement and on the implementation of processes allowing to reduce CO ₂ emission of purchased parts for EVs.

This incentive plan demonstrates the integration of climate objectives in the compensation system across the organization. In 2021, were considered, among other things, CO₂ emissions regulatory compliance as a trigger point for short-term incentive program and Electric Vehicle (EV) production and CO₂ emissions regulatory compliance for long-term incentive plan.

See also [section 5.1.3.2](#) > for additional information on the compensation policy.

2.5 VEHICLE CO₂ EMISSIONS



Cutting CO₂ vehicles emissions is the first dimension of Stellantis' decarbonization strategic plan. The levers on Well-to-Wheel CO₂ emissions presented in this section support Stellantis to meet its objective of reducing by 50% its carbon footprint in 2030 compared to 2021, on the Company's path to carbon net zero in 2038.

2.5.1 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2 GRI 305-5

Stellantis is committed to reducing its CO₂ emissions in the various regions in which it operates. Stellantis' strategy is to strive for compliance with Corporate Average Fuel Economy regulations worldwide. As they are by far the Company's main carbon footprint component, emissions from use of sold products (use phase of new sold vehicles) are at the center of the Company's carbon net zero objective, which was determined using a Well-to-Wheel approach.

The main levers for the Company to reduce vehicle CO₂ emissions are:

- a LEV mix ramp-up, offering a wide range of BEV and PHEV: in 2021, 10 additional models were launched, and since the end of 2021, a full battery electric variant is offered in each LCV segment in Europe ([details in 2.5.3.2](#) >);
- a zero-emission fuel cell offer for LCVs, complementary to full battery models, in order to meet customer expectations ([details in 2.5.2](#) >);
- a BEV-by-design platform strategy to be operational from 2023 ([details in 2.5.3.2.1](#) >);
- a vertical integration strategy aiming to control the LEV value chain and its costs, to secure supply and quality ([details in 2.5.3.2.2](#) >);
- the use of MHEV technologies ([details in 2.5.3.3](#) >);
- the deployment of technical levers to improve all key aspects of energy consumption: for example, aerodynamics, rolling resistance and electrical consumption ([details in 2.5.3.4](#) >).

2.5.2 ORGANIZATION AND RESOURCES

GRI 103-2

Given its high stake for Stellantis, resources are mobilized across the company for its electrification: from the definition of the strategy to the sales in all regions, with the involvement of planning, engineering, manufacturing and supply chain divisions.

2.5.2.1. Managing vehicles CO₂ emissions

Stellantis incorporates CO₂ emissions management from product planning to sales. Dedicated tools have been put in place to provide real-time information on the current status and forecasts of CO₂ emissions for all Stellantis brands, allowing the revision of production program and commercial policy accordingly.

2.5.2.2. Investment in innovative tech to reduce CO₂ emissions of products

GRI 305-5

To limit CO₂ emissions from vehicles, Stellantis is continuing to develop efficient products by implementing technical solutions whose cost effectiveness is beneficial for its customers. The Company plans to invest more than €30 billion through 2025 in electrification and software, while continuing to be one of the automotive efficiency front runners, with investment efficiency significantly better than industry average, with respect to total Capex and research and development spend versus revenues.

Stellantis uses an internal carbon price to measure the cost efficiency of technical levers that reduce vehicle CO₂ emissions. This allows Stellantis to propose an optimized set of CO₂ reduction levers on its vehicles based on a cost-efficiency analysis.

Patent strategy

Our patented inventions are a key factor in working toward these objectives and provide us with a strategic competitive advantage. Our technological axis, protected by these intellectual property rights, have as a priority the major challenges of tomorrow's mobility.

They include the development of new powertrains that meet our customer expectations for energy transition and sustainable and responsible mobility: engines and transmissions for electrified vehicles, batteries, fuel cells and their control strategies.

In 2021, Stellantis published a total of 1,311 patents applications. These patents are essentially in relation with our key technological axis: electrification; driver assistance systems, connectivity and services ; vehicle platforms and comfort and security equipment.

The research and development budget is distributed based on the priorities set out in the strategic plan.

Fuel Cell: an additional opportunity in Stellantis' portfolio

Through its "Fuel cell" Center of Competence in Rüsselsheim (Germany), Stellantis is leading research to develop Fuel Cell Electric Vehicle (FCEV) technology.

The research is built around the following pillars:

- design to customer: LCV market, B2B, Total Cost of Ownership (TCO) centric, shipping volume and payload preserved;
- design to optimize development cost: right power architecture associated with a plug-in battery and a high level of carry over platform and e-powertrain;
- global offering: Stellantis/Energy providers partnerships including vehicle, aftersales, leasing, services, energy infrastructure and supply.

As a result, the Company has launched in 2021 a LCV (Light Commercial Vehicle) fleet equipped with this FCEV technology. This technology combines hydrogen fuel cell and electric battery to provide the energy to the electric motor. It allows Stellantis to place a zero emission FCEV solution, complementary to the 100% battery-electric solution, and thus will attract new customers, in particular those who drive frequently long distances and need to refuel quickly. This version offers 400 km of range at a refueling time for a complete fill with hydrogen of three minutes only, without any compromise on payload and volume. This technology is already available on Citroen, Peugeot and Opel models.

More information on Hydrogen Fuel Cell is available on the the [corporate website](#) ↘.

Use of alternative fuels

Alternative fuels are also a key component of Stellantis's strategy to achieve fleet greenhouse gases (GHG) emission reduction, considering that the production of alternative fuels emits less CO₂ which can compensate for tailpipe CO₂ emissions.

In close collaboration with leading renewable fuel producers, Stellantis makes sure that products in the hand of customers will be well prepared for these fuels.

Within Stellantis, the Center of Competence Alternative Fuels (CCAF) leads the research and development activities and is responsible for technological, strategic and application know how on Alternative Fuels.

Alternative fuels from biological origin (Biofuels)

- Ethanol flex-fuel vehicles in Brazil: Stellantis develops flex-fuel vehicles (FFV), which run on gasoline-ethanol blends in variable proportions: in 2021, more than 500 000 Stellantis Flex-fuel vehicles were registered in Brazil.
- Stellantis is also working to anticipate the potential increase of bio component rate like ethanol or Hydrotreated Vegetable Oil, in order to have vehicles that are compatible with future European standards.
- To support the development of "advanced biofuels" from non-food resources, such as biomass waste, non-hazardous organic waste and micro-algae, Stellantis has conducted projects such as lipid biofuels from micro-algae in France (PE Shamash project¹) and in Brazil with the Federal University of Parana in Curitiba.

Alternative fuels from non-biological origin: non-fossil e-fuels

Stellantis is also actively exploring the potential of e-fuels, synthetic fuels produced from the combination of carbon dioxide and hydrogen from water electrolysis with renewable electricity. The objective is to reduce production cost and prices of such e-fuels and to develop direct air capture of CO₂ to optimize GHG balance.

¹ Production of a methyl ester from the microalgae *Nannochloropsis* grown in raceways on the French west coast, Fuel Elsevier, Fuel 153(2015)640-649

2.5.3 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3 GRI 302-5

2.5.3.1 CO₂ performances of Stellantis vehicles: a trajectory in line with the COP21 commitments

The whole Company is committed to CO₂ reduction efforts, from the Engineering Department to commercial network.

A Tank-to-Wheel performance compliant with CO₂ regulations

GRI 419-1

Being fully compliant as far as such regulatory requirements are concerned is an essential prerequisite for Stellantis.

Driven by the electrification ramp-up and technical improvements brought to conventional vehicles, the CO₂ emissions of sold vehicles in 2021 have been reduced.

In the European Union and United Kingdom, Stellantis has reached its Corporate Average Fuel Economy (CAFE) regulatory targets¹, both for passenger cars and light commercial vehicles without buying any external credits.

In other CO₂ regulated markets, Stellantis is also compliant with local regulatory targets and aims at ensuring self-compliance without additional credit purchases from 2022 onwards.

See section 2.5.4.1 > for Stellantis' sales-weighted average fuel emissions and CO₂ emissions data by region.

In 2022, the Company will continue to strive for a high level of CO₂ performance by:

- investing in LEV technologies and extending its LEV offer by launching four new BEV and six new PHEV vehicles, and increasing our LEV sales with the ambition to be one of the top players of LEV markets in the future years, especially in Europe and in the U.S.;

¹Status according to internal assessment, to be officialized by European Commission and United Kingdom authorities.

- optimizing technologies that benefit both LEV and ICE vehicles.

This should allow Stellantis to continue to reach its CO₂ targets in the coming years.

A partnership to measure the real-world fuel and electric consumption of its vehicles

Acknowledging the fact that there are discrepancies between homologated tailpipe CO₂ emissions defined in CAFE regulations and real-world tank-to-wheel CO₂ emissions, Stellantis publishes the real-world fuel consumption figures of its vehicles from the Peugeot, Citroen and DS brands in Europe.

In collaboration with the independent auditor Bureau Veritas, measurements of consumption and emissions are done on all models of the range of Peugeot, Citroen and DS Automobiles. These measurements are based on a specific test protocol inspired by the "Real Driving Emissions" (RDE) European regulation. This protocol has been adapted to measure real-world electricity consumption for battery electric and plug-in hybrid electric vehicles.

Peugeot, Citroen and DS Automobiles have launched an application on their websites that enables customers to:

- view an estimation of the fuel consumption data for their model by entering in its characteristics (body type, trim level, engine, gearbox and type of tires);
- estimate consumption based on the actual use of their vehicle (number of passengers, load, driving style, etc.).

This application is available on the brands' websites in main European countries, enabling customers to choose the most fuel-efficient models.

This initiative was innovative in the automotive industry.

In 2021, this transparency approach was pursued by continuing to publish the results of real consumption tests carried out on the basis of this protocol.

In the coming years, fuel consumption indicators will be available for all vehicles in Europe using data from On-Board Fuel Consumption Meter (OBFCM), equipment which has become mandatory.

A Well-to-Wheel approach for Stellantis' vehicle CO₂-eq emissions reduction targets

In addition to the existing regulations regarding homologated CO₂ emissions at tailpipe, Stellantis takes into account in its reduction trajectory Well-to-Wheel CO₂ emissions over the expected lifetime of all vehicles sold, consistently with SBTi guideline for transport sector:

- Well-to-Tank CO₂ emissions, with using life cycle emission factors for fuels and for electricity;
- Tank-to-Wheel CO₂ emissions, based on homologated CO₂ emissions at tailpipe, with conversion ratio into real-world emissions.

Stellantis aims to reduce the Well-to-Wheel CO₂ emissions of its vehicles, thanks to electrification roadmap, improvement of BEV efficiencies and continuous improvement on fuel consumption of remaining ICE vehicles, in order to meet its objective of reducing by 50% its carbon footprint in 2030 compared to 2021.

The hypotheses of the emissions trajectory forecast are calculated by the company's CO₂ experts using internal data related to Stellantis' current and future technologies and external data related to climate scenarios and market trends. Action plans (technical enablers, product plan adaptation and strategy) to reach Stellantis' targets are then decided by the Strategy Council.

2.5.3.2 Electrification: an ambitious plan to roll out electric and hybrid technologies

Stellantis responds to the environmental challenges associated with vehicle use thanks to technological solutions designed to drive powerful breakthroughs in fuel efficiency and CO₂ emissions. The introduction of zero-emission electric vehicles and plug-in hybrid vehicles, are poised to enable the company consolidate its position in the low-emission vehicle (LEV) segment in its various markets.

Placing short-, medium- and long-term quantitative targets on the share of LEVs sales in the total sales mix and on the percentage of nameplates available in a LEV version enables Stellantis to define and track alignment with a clear roadmap of how to attain its fleet CO₂ emissions reduction targets.

Stellantis electrification roadmap

Each of the Company's 14 vehicle brands is committed to offering fully electrified solutions.

In 2025:

- 98% of the Passenger Cars (PC) models marketed by Stellantis in Europe will be proposed in full electric (BEV) or plug-in hybrid versions (PHEV);
- 95% of the Passenger Cars and Light Duty Trucks (LDT) models marketed by Stellantis in the United States will be proposed in full electric or plug-in hybrid versions.

By 2030, Stellantis targets to include a BEV version in all of our passenger cars models marketed in Europe and all of our passenger cars and light-duty trucks models in the U.S.

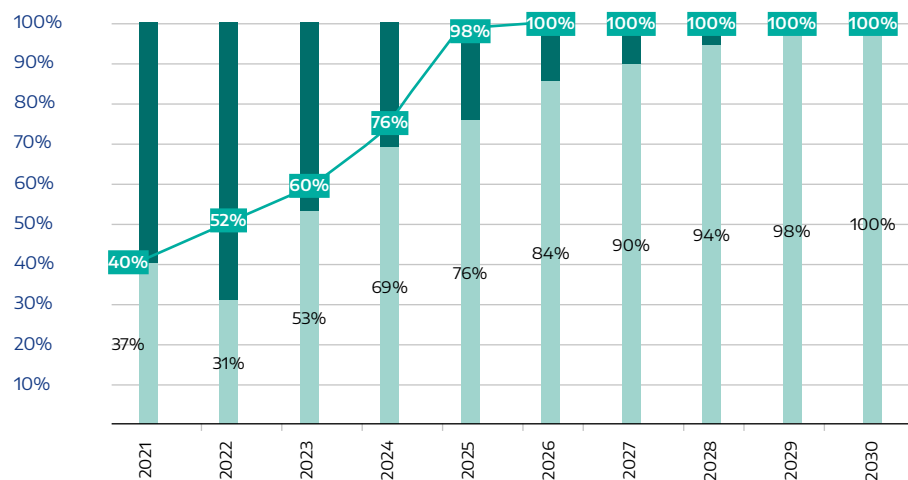
This progression is consistent with the objective to grow, year by year, the LEV sales mix and to reach in 2030:

- 100% BEV sales mix in Europe for PC;
- 50% BEV sales mix in the U.S. for PC and LDT.

NAMEPLATES WITH LEV OFFERING



2025: 98% of nameplates¹ with LEV offering



In 2021, 40% of nameplates were available in an electrified version in Europe and 10% in the U.S. Based on internal estimates, LEV sales represented 12.8% of passenger cars in Europe 31³ and 3.4% of passenger cars and light duty trucks in the US.

Go to [section 2.5.4.2](#) for Stellantis' detailed sales mix by energy type.

LEV models launched in 2021 were:

- BEV: Citroën ë-C4, Citroën ë-BERLINGO, Opel MOKKA-E, Opel COMBO-E, Peugeot E-RIFTER, Fiat E-DUCATO;

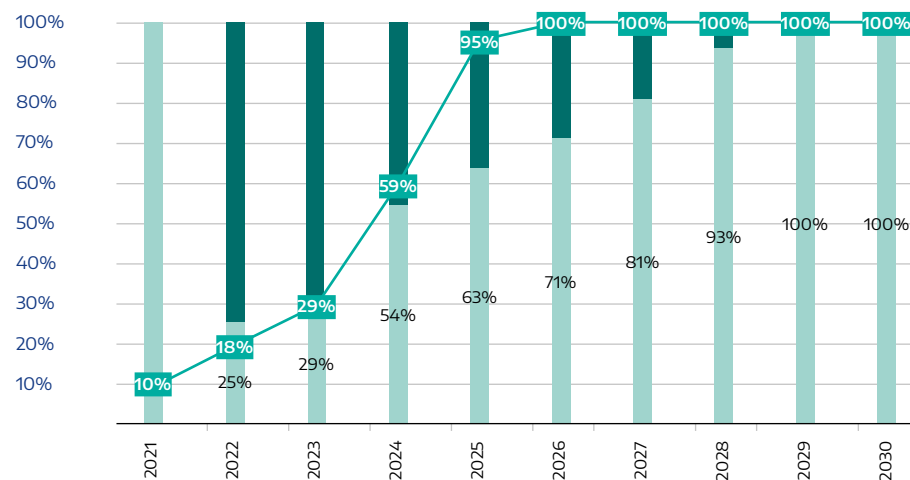
¹ Passenger Car only, excluding Commercial Vehicles

² Passenger Car + Light Duty Trucks only, exclusion Van & Heavy Duty Trucks

³ Europe 31 = EU 27 + Norway + Iceland + UK + Switzerland



2025: 95% of nameplates² with LEV offering



- PHEV: DS4 E-TENSE, DS9 E-TENSE, Jeep WRANGLER 4xe, Peugeot 308.

FCEV models launched in 2021 were: Citroën ë-JUMPY Hydrogen, Peugeot e-EXPERT Hydrogen, Opel VIVARO-E Hydrogen.

In addition, two sustainable urban mobility devices, Citroen AMI Cargo and Opel ROCKS-e have been launched in 2021. Those urban delivery low footprint electric devices, accessible to young drivers, are an additional answer to current mobility requirements, especially in cities.

ELECTRIFIED LAUNCHES IN 2021



Citröen
ë-C4



Citröen
ë-BERLINGO



Opel / Vauxhall
MOKKA-E



Opel / Vauxhall
COMBO-E



Peugeot
E-RIFTER



Fiat Professional
E-DUCATO



DS Automobiles
DS4 E-TENSE



DS Automobiles
DS9 E-TENSE



Jeep
WRANGLER
4xe



Peugeot
308



Citröen
AMI Cargo



Opel
ROCKS-E



Citröen
ë-JUMPY
Hydrogen



Peugeot
e-EXPERT
Hydrogen



Opel
VIVARO-E
Hydrogen



- BEV
- PHEV
- FCEV
- Mobility device

Stellantis' fast LEV mix ramp-up is supported by:

- A pure BEV-focused platform strategy (for more information, [section 2.5.3.2.1](#) >);
- A vertical integration strategy to master the LEV value chain (for more information, [section 2.5.3.2.2](#) >);
- A charging and energy strategy that aims to position Stellantis in the e-mobility ecosystem (for more information, [section 2.5.3.2.3](#) >).

These three levers are consistent and intertwined. Stellantis's strategy to gain control over the LEV value chain is supported by specific EV-related services from its Free2Move e-solution service entity that delivers charging infrastructure solutions, charging-as-a-service and advanced energy services. This is expected to be leveraged in the BEV-focused platform strategy, which means that Stellantis should have a 360-degree approach to control the performance that it delivers to the customers, both in terms of range, drive smoothness, quality, but also the high level of control of cost and supply.

DIALOGUE WITH STAKEHOLDERS

On July 8th 2021 a 360-degree overview of **Stellantis electrification strategy** has been presented, including:

- Electrification roadmap
- Battery in-depth focus
- Ecosystem of services around the customer

2.5.3.2.1 The pure BEV-focused platform strategy of Stellantis

From 2023, the sales of Stellantis' LEV products worldwide will be driven by a 4 platform BEV-focused strategy for Passenger Cars: Stella Small for the A, B and C segments; Stella Medium for C and D segments; and Stella Large for D and E segments. An additional Stella frame platform will be dedicated to the electrified E and F segments SUVs and the pickup trucks. Covering the various market segments and regions where Stellantis operates, these full-BEV platforms should enable high modularity with parts and technology commonality without any compromise on BEV performance.

This limited number of platforms will be BEV-focused to ensure that the Company has a volume scale effect that is intended to drive the cost competitiveness of Stellantis and therefore the profitability of Stellantis, in order to compensate for electrification costs. Being BEV-focused, they will deliver a significant performance to address the range anxiety of BEVs. The Stella Small for A, B and C entry products is expected to deliver more than 500 kilometers of range. The Stella Medium is expected to deliver more than 700 kilometers of range. The Stella Large is expected to deliver more than 800 kilometers of range. On the Stella Frame, the expected range is 800 kilometers.

Until the launch of Stellantis' BEV-by-design platforms in 2023, existing multi-energy platforms will allow to manufacture the latest generation of electric vehicles.

As a result, Stellantis has the flexibility to adapt to changes in the energy mix in its various markets and can offer its customers a comprehensive range of technologies that meet their usage needs and contribute to increasingly responsible mobility.

STELLANTIS' BEV-BY-DESIGN PLATFORM MOMENTUM

4 BEV BY DESIGN PLATFORMS HIGH ENERGY DENSITY AND EFFICIENT BATTERIES OPTIMIZED SEGMENTATION FOR FULL MARKET COVERAGE	STLA SMALL	500 km 300 miles	 <small>3 UNIBODY</small>
	STLA MEDIUM	700 km 440 miles	
	STLA LARGE	800 km 500 miles	
CROSS SHARED COMPONENTS AND SYSTEMS	STLA FRAME	800 km 500 miles	 <small>1 BODY ON FRAME</small>

COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



The heart of the transformation to customer-centric services is the new electrical/electronic (E/E) and software architecture. As announced on December 7, 2021 during the Stellantis Software Day, three new tech platforms (STLA Brain, STLA SmartCockpit, STLA AutoDrive) will be launched in 2024 and will be deployed, at scale, across the four vehicle platforms of Stellantis over the following two years.

STLA Brain will be fully Over-the-Air (OTA) capable, with 30 modules addressed, versus 10 today, making it highly flexible. It is a service-oriented architecture fully integrated with the cloud that connects electronic control units within the vehicle with the vehicle's central high performing computer (HPC) via a high-speed data bus.

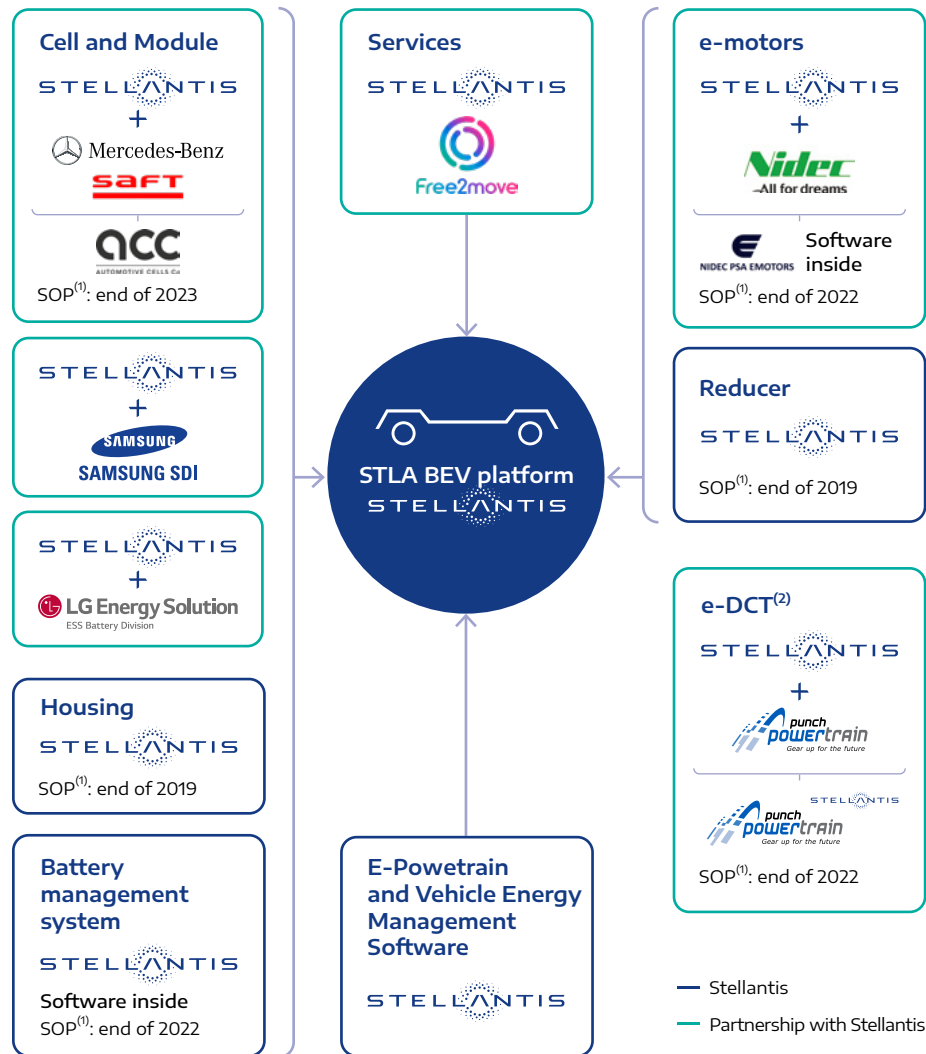
It breaks today's bond between hardware and software generations, enabling software developers to create and update features and services quickly without waiting for a new hardware launch.

2.5.3.2.2 Mastering the LEV value chain

Stellantis is increasing its control of the added value relating to low-emissions vehicles, having found a balance between partnerships with expert companies and in-house design and manufacturing.

With this strategy, Stellantis is targeting to control 80% of the BEV value (without taking into account raw materials) with its joint-ventures (which is more than the share of value that the Company controls for ICE).

INCREASING THE CONTROL OF THE LEV VALUE ADDED



¹ Start Of Production

² For PHEV

Strategic move to become a leading player in battery cells and modules

Getting ready for the electric future of mobility, Stellantis is going to supply battery cells in order to make sure that it controls what is the most cost, quality and performance-sensitive matter of an EV, which is the battery cell. For that purpose, the Automotive Cells Company (ACC) joint-venture has been created in September 2020 between former PSA/Opel and Total/Saft, In September 2021 Mercedes-Benz AG agreed to join ACC as its third partner. First, ACC gigafactories will be located in Douvrin (France) for the start of production in 2023 and in Kaiserslautern (Germany) for the start of production in 2025 and an additional Stellantis facility is forecasted in Termoli (Italy). The technology used should offer the highest level of energy performance, both in terms of range and charging time, and a lower carbon footprint than that of the competition, setting a new standard in Europe. This project aims to position ACC as a major competitive player in supplying electric vehicle manufacturers with high-performance batteries from 2023.

In October 2021, Stellantis entered into two memorandums of understanding to form joint ventures to produce battery cells and modules for North America:

- with LG Energy Solution, the new battery manufacturing plant is targeted to start by 2024;
- with Samsung SDI, the plant is targeted to start in 2025.

The Company's EV battery sourcing strategy is to secure more than 400 GWh by 2030. The EV battery and component needs will be met with a total of five "gigafactories" in Europe and North America, completed with additional supply contracts and partnerships to support total demand.

Strategic partnerships regarding e-components integration for next generation of electrified Powertrain

In order to increase control of cost, quality and performance of electric powertrain-related components, Stellantis has embedded their design and manufacture through joint ventures – respectively Nidec Stellantis e-motors and Punch Powertrain Stellantis e-transmissions – but also reduction gears and battery pack assembly.

Thereby, new e-components for PHEV, BEV and MHEV applications will be integrated in the next generation of electrified powertrain, from 2022. Innovation activities aim to reduce cost, improve efficiency and compactness.

Nidec Stellantis e-motors

Stellantis formed a joint venture with Nidec Leroy-Somer Holding in the field of electric motors. Backed by a €220 million investment, the partnership should lead to the development of a cutting-edge range of electric motors for electrified vehicles. The joint venture aims to meet the needs of both Stellantis and other carmakers.

Based in Carrières-sous-Poissy, just outside Paris, the entity currently comprises 240 employees dedicated to designing, developing and manufacturing new electric powertrains to be produced at the Trémery plant (Moselle, France). The powertrains will be fitted in PHEVs and BEVs.

Production is expected to begin in 2022 and to sustain Stellantis electrification growth.

Punch Powertrain Stellantis e-transmissions

Stellantis and Punch Powertrain formed the Punch Powertrain Stellantis e-transmission joint venture. The entity is backed by an investment of €82 million and will focus on producing the future generation of electrified dual-clutch transmissions (eDCTs) as from 2022.

Featuring a 48-volt configuration, the transmission will be fitted on Stellantis' future MHEV models. The eDCT will be designed and developed in Punch Powertrain research centers in Belgium and the Netherlands and manufactured at Stellantis' Metz plant in Moselle (France), a facility chosen for its cost-efficiency and recognized for its expertise in gearbox production. The Metz plant is expected to have an annual production capacity of 600,000 eDCT gearboxes.

A second JV was established to design, manufacture and supply state of the art components and sub-systems for the future generation of the electrified transmission, the Dual Clutch Transmission (DT2) by Punch Powertrain which is innovative, cost efficient and compact, available in Mild hybrid 48V, plug-in hybrid or conventional variants.

Material supply

Many raw materials used for High Voltage batteries are in demand due to the shift to electrification. The manner in which the materials are extracted and processed are often more risky and require appropriate monitoring. For example, cobalt is of

growing interest for the auto industry due to its use in electric vehicle batteries. Stellantis participates in a variety of projects related to materials research, notably to reduce or substitute critical raw materials with other more sustainable metals in high voltage batteries. We are a member of the Responsible Minerals Initiative to build capacity in the extended supply chain down through the mine level. Activities to conduct voluntary due diligence efforts are underway with our suppliers. We have used the Cobalt Reporting template from the Responsible Minerals Initiative to begin preliminary data gathering. Stellantis is conducting a due diligence program on these raw material, with a priority on Cobalt and Lithium, in partnership with RCS Global. [Refer to section 7.1.4 >](#)

To secure lithium availability, Stellantis signed a binding agreement with Vulcan Energy to supply battery grade lithium hydroxide in Europe for use in electrified vehicles. From 2026, Vulcan will supply Stellantis with a minimum of 81,000 tons and a maximum of 99,000 tons of lithium hydroxide over the five-year term of the agreement.

Vulcan's Zero Carbon Lithium™ Project in the Upper Rhine Valley in Germany uses geothermal energy to produce battery-quality lithium hydroxide from brine without the use of fossil fuels and minimal water usage, reducing the generation of carbon in the battery metals supply chain. The location in Germany, proximal to Stellantis' European gigafactories, will allow to reduce the transport distance of lithium chemicals.

The Company's Tier 1 suppliers are also contracting lithium supply in Europe.

In North America, Stellantis signed a Memorandum of Understanding (MOU) for a direct "off-take" contract with lithium geothermal partner.

Battery recycling

To make EVs climate change mitigation solutions as effective as possible, Stellantis strives to develop a global circular economy for high-voltage batteries from hybrid and electric vehicles: a re-pair strategy with 21 e-repair centers, a re-man strategy with our remanufacturing center in Rüsselsheim, re-use strategy with second life projects. Engaging partnerships with recyclers is a way for Stellantis to secure access to secondary raw materials enabling the production of EVs. [Refer to section 6.1.7.6 >](#)

2.5.3.2.3 Charging and energy strategy

GRI 302-5

As charging operations is a crucial user experience aspect of e-mobility, Stellantis studies:

- technologies contributing to a simple and seamless user experience: plug and charge feature (easy payment process), high power charging (quick charge for long range journey), services facilitating the charging operations
- the opportunity to make services for the grid, by the energy and power buffering capacity of the vehicles connected to it: Smart charge functions and Vehicle-to-grid generate value both for the customers and for the energy operators.

Charging service offering related to electric mobility

To ease the customer electric mobility experience and therefore support its LEV mix ramp up, Stellantis has developed a complete service offering:

- a range of connected services:
 - Trip Planner and Charging Pass services, to plan a trip and for easy charging at public charging stations;
 - \$Mobility Pass, to temporarily access other mobility solutions if the electric vehicle autonomy is not sufficient for a long trip;
 - Car Remote, to optimize the charge (charging management and air conditioning preconditioning);
- new services available at home and in the commercial network:
 - Private Charging: devices and installation;
 - after sales: battery capacity certification, adapted roadside assistance, adapted service contracts;
 - electric vehicle skilled contact center.

Stellantis introduced smart charging packages named "ALL-e", providing day to day smart charging offers with green energy.

A partnership signed between Stellantis and Digital Charging Solutions GmbH, will provide Jeep 4xe or Fiat EV customers access to the digital service “My easy Charge,” offering them a single provider for the largest charging network in the world. With just one app and one single card, the charging solution will provide access to more than 130,000 charge points in 21 European countries.

A partnership was also formed between the Jeep Brand and Electrify America to install solar charging stations on Jeep Trails in North America.

The Company’s electric vehicles are already used in many urban car-sharing services set up with communities and private partners in numerous European cities ([see 4.1](#)).

Free2Move eSolutions: An active role in contributing to affordable and clean mobility

In January 2021, Stellantis created [Free2Move eSolutions](#), a joint venture with NHOA (formerly Engie EPS, an Italian technology player in Energy Storage and e-Mobility), with the ambition to become a leader in the European e-Mobility landscape. Free2Move eSolutions has the ambition to support and ease the transition to electric mobility by offering innovative and tailor-made electric solutions for both private and business actors of the value chain.

Through a digital and seamless journey across all product lines, the scope of Free2Move eSolutions activities will range from charging infrastructures (installation, servicing and operations), public and home charging subscriptions with monthly fee, to battery life cycle management and advanced energy services such as Vehicle-to-Grid (V2G) integration and energy management solutions to reduce the total cost of vehicle ownership.

The joint venture between Stellantis and NHOA is expected to simplify the access to e-mobility and aims to complement Free2Move current portfolio with a new set of offers 100% dedicated to electric mobility.

Free2Move eSolutions also allowed the implementation of projects, such as the introduction of the exclusive Stellantis easyWallbox, an easy-to-use plug-and-play charging unit, the recently launched Vehicle-to-Grid (V2G) pilot project and the innovative customer-oriented energy packages. The newly created company offers a full suite of products and solutions for EV customers such as residential, business

and public charging infrastructures as well as green energy packages. It enables customers to charge at home and at any public charging point across Europe with a subscription at a fixed monthly rate.

Stellantis operates the recently launched V2G pilot project at the Mirafiori plant in Turin (Italy). V2G technology represents an opportunity to optimize vehicles’ operating costs for the customers’ benefit, as well as contributing to a more sustainable electrical power delivery system. Experiments using this innovative technology have started with a bidirectional charging solution, which both charges the car and returns power to the grid.

In addition, Stellantis’ partnership with NHOA is expected to develop a public Fast Charging network in Southern Europe (before being extended to the rest of Europe and to North America). Enabled by renewables and energy storage, the network is expected to be 100% grid integrated. Free2Move eSolutions will act as turn-key technology provider and NHOA will develop the network. Approximately, 4,900 fast chargers should be installed by 2025 and 36,000 by 2030.

Rewarding customers for the environmentally conscious driving behaviors

Developed by the green-tech startup Kiri Technologies exclusively for e-Mobility by Stellantis, the system rewards New Fiat 500 drivers in 13 European countries based on their environmentally conscious driving behaviors with KiriCoin, a cryptocurrency that can be spent in a dedicated marketplace. Drivers can check the KiriCoin collected based on an eco score obtained according to their driving style. Analysis of the driving style of New Fiat 500 customers has shown that the best participants in the contest drove up to 20% more efficiently than the average. This has a direct positive impact of 20% on charging costs and on the range of the car. The drivers with the best scores receive exclusive extra rewards.

e-Mobility by Stellantis presents with Kiri Technologies the innovative program dedicated exclusively to New 500 customers, to reward sustainable driving.



2.5.3.2.4 Battery technologies innovation: more energy density, faster to charge, less expensive

GRI 302-5

Battery technology is key for customers' acceptance of LEV vehicles since it drives the zero emission range for BEV and PHEV, the charging time to provide a seamless long-range user experience, but also the cost of the system and its safety.

Thus, within the ACC Joint-Venture, Stellantis strives for innovation on battery technologies. The technologies covered include:

- electrochemistry and cells design, with a specific focus on the next generation based on solid-state electrolytes;
- pack design, including mechanical parts optimization, thermal management, wires;
- software and Battery Management System (BMS) design.

From 2024, Stellantis plans to base its electrification strategy on 2 battery technologies to offer a wider range of vehicles, to adapt to consumer needs and affordability constraints. These technologies are expected to enable energy density gains and therefore reduce the environmental footprint of the batteries. This dual chemistry strategy relies on:

- a Nickel and Cobalt Free battery, that should enable an energy density between 400 and 500 Wh/L at cell level;
- a Nickel based battery with an even higher energy density, between 600 and 700 Wh/L at cell level.

From 2026, competitive solid-state batteries are expected to be introduced in Stellantis' fleet. A first joint development agreement has been signed with Factorial Energy to advance Factorial's high-voltage traction solid-state battery technology.

2.5.3.3 Mild Hybrid Electric Vehicle (MHEV)

GRI 302-5

Stellantis is extending the deployment of mild hybrid technologies on internal combustion engines.

The mild hybrid technology combines a small electric motor with an ICE, in which the hybrid technology recovers the energy generated on braking to reuse it for vehicle motive power, thus cutting down on fuel use.

For a slightly higher cost, this new generation of powertrain reduces CO₂ emission up to 15% compared to a vehicle powered entirely by an ICE.

MHEV technologies already implemented in Stellantis vehicles are:

- a 12-volt belt starter generator (BSG) 3 cylinder 1.0-liter naturally-aspirated engine deployed in the Fiat 500, Fiat Panda and Lancia Ypsilon in Europe;
- a eBooster and 48-volt BSG, on the 2.0-liter turbo of the Maserati Ghibli mild hybrid;
- a 48-volt mild hybrid technology, marketed as "eTorque" in Jeep Wrangler vehicles, equipped with both the 2.0-liter turbo and 3.6-liter engine, as well as in the Ram 1500 5.7-liter and 3.6-liter applications;
- a 48-volt mild hybrid technology, marketed as "eTorque", available in Jeep Renegade, Fiat 500X, Jeep Compass, Fiat Tipo, Alfa Romeo Tonale, equipped with gasoline 4 cylinder Miller cycle Turbocharged engines.

With a 48-volt configuration, the e-DCT (electrified Dual Clutch Transmission) gearbox, developed with Punch Powertrain, will equip more of Stellantis mild hybrid electric vehicles (MHEV) in the coming years for more information on the joint-venture, [see section 2.5.3.2.2 >](#).

2.5.3.4 CO₂ reduction: a holistic approach to design vehicles

Beyond the technologies related to engines and fuels, the company aims to leverage all the features of its vehicles in order to improve energy consumption and CO₂ emissions. Stellantis continues to develop technical levers that help to reduce CO₂ emissions such as weight, aerodynamics, vehicle architecture, materials, tire rolling resistance, losses through mechanical friction (brakes, rolling, bearings, etc.), management of parts that use electricity (sensors, actuators, engines), comfort features (air conditioning system, etc.), safety features and driver assistance features. These levers enable energy consumption gains on all kind of vehicles, both ICE and electrified.

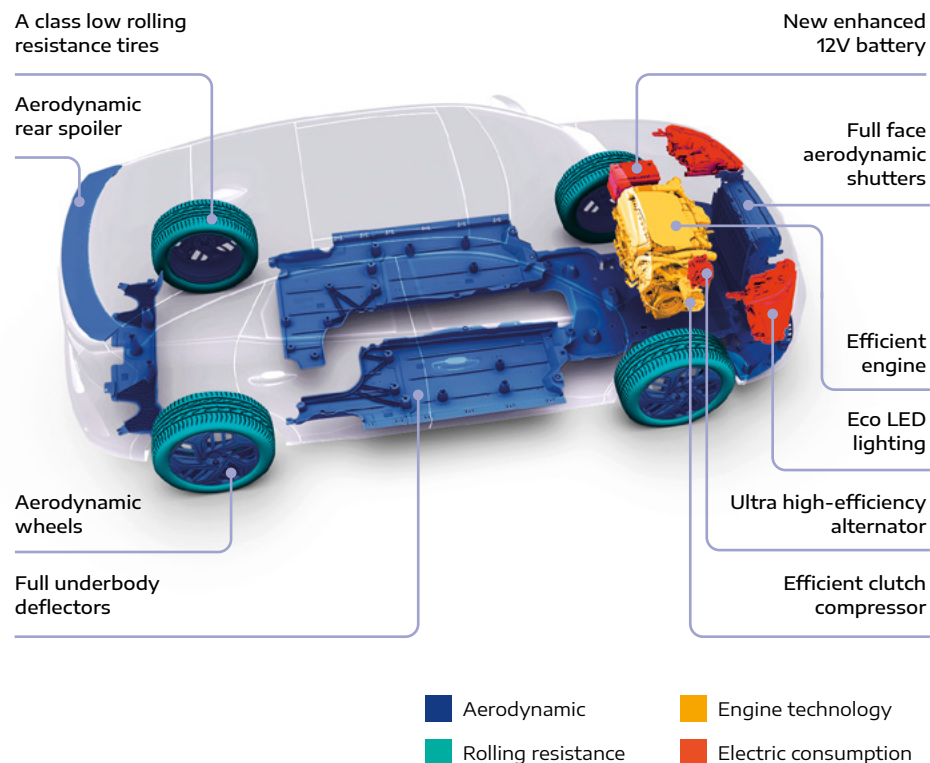
2.5.3.4.1 Weight: the virtuous cycle of reducing weight

While we work to optimize vehicle architecture, we also focus on the choice of materials. High-tensile steel is preferred because of its superior strength. However, whenever technically feasible and cost effective, choosing lower-density materials, such as aluminum, composite materials and thermoplastics instead of steel, can reduce vehicle weight. For example, the 2021 Jeep Wrangler features lightweight, high strength aluminum doors, hinges, hood, fenders and windshield frame, as well as a magnesium swing gate, all of which help boost fuel economy. Innovative process techniques provide further gains (heat stamping, laser welding, joining structure, etc.) by helping reduce the weight of the car body while improving resistance to impact.

2.5.3.4.2 Limited air resistance and rolling resistance

Aerodynamics and rolling resistance have an impact on fuel and electrical consumption and the Company endeavors to continually optimize these levers. For instance, since 2020 in Europe active air shutters, under-body deflectors, class A efficient tires, lower than 5.9 kg/T, have been widely deployed on vehicles in order to reduce the CO₂ consumption for our customers.

CO₂ TECHNOLOGIES FOR EFFICIENT VEHICLES



2.5.3.4.3 Better management of onboard electricity

Reducing electricity consumption in vehicles is a way to lower fuel consumption. The electricity used in the vehicle, to power the air conditioning, lighting, dashboard, etc., is generated by the alternator which transforms the engine's mechanical energy. The more efficient the alternator is the less need there is for the mechanical energy from the engine and the less fuel the engine consumes.

For instance in Europe, the company decided to deploy the following levers:

- optimizing the operating phases of the alternator through an intelligent control system (charge the alternator at times when fuel consumption is lower), lever incorporated into the new generation of engines;
- optimizing the alternator’s efficiency, with the deployment of ultra high-efficiency alternators (80% efficiency compared to less than 70% before);
- high charge acceptance on 12-volt battery technology to optimize alternator recovery strategy;
- using specific Light Emitting Diode (LED) lights, widely on the vehicle lines, to optimize the electricity consumption of the lighting functions.

2.5.3.4.4 Reducing the environmental impact of refrigerants

European Directive 2006/40/EC gradually phases out the use of refrigerants in vehicle air conditioning systems, that provide air conditioning in the passenger compartment, which have a global warming potential (GWP) of more than 150 CO₂-eq. This regulation has applied to all models on the EU market that weigh less than 3.5 tons since 2017.

New types of vehicle produced by Stellantis use refrigerants that meet all regulatory standards. For example, the Peugeot 508, Fiat 500 and Opel Corsa no longer use fluoride gas R134 a.

In order to reduce environmental impacts, quantities of refrigerant filled in European vehicles are reduced. This good practices will be rolled out in other regions. Stellantis also carries out refrigerant leakage inspections in assembly plants to check the tightness of the air conditioning system.

2.5.4 DETAILED KEY PERFORMANCE INDICATORS

TCFD.Ma GRI 103-3 GRI 305-3

2.5.4.1 Sales-weighted¹ average fleet fuel economy and CO₂ emissions (Tank-to-Wheel)

SASB-410a.1

Regulated region	Category	2021 volumes ¹	2021 results
European Union 27 + Norway + Iceland (gCO₂/km)²	M1 (Passenger Cars)	2,141,837	114.8 g CO ₂ /km
	N1 (Light Commercial Vehicles)	446,429	189 g CO ₂ /km
United States (mpg)³	Passenger Cars domestic	201,790	27.7 mpg
	Passenger Cars import	25,208	32.3 mpg
	Light Duty Trucks	1,447,313	26.9 mpg
Brazil (MJ/km)⁴	Total Stellantis	633,139	1.9 MJ/km
	Total domestic	102,553	6.7 L/100km
China (L/100km)⁵	Total import	21,723	10.1 L/100km
	Total Stellantis	124,276	7.3 L/100km

¹ Considering registrations, shipments, productions or custom clearance according to local regulations.

² The European Commission imposes standardized emission requirements on vehicles sold. Each automobile manufacturer must meet a specific sales-weighted fleet average target for CO₂ emissions which is related to vehicles weight average. Results in table 2.5.4.1 are provided without eco-innovation gain and LEV super-credits and excluding Maserati results (which is under small volume derogation). Since 2021, the measurement is based on WLTP procedure, according to EU 2019/631 regulation. The M1 result including eco-innovation gain and LEV super-credit is 110,6 gCO₂/km.

³ In the U.S., vehicle fuel efficiency is measured by fuel economy expressed in miles per gallon (mpg). An increase in fuel economy corresponds to an increase in vehicle efficiency and a corresponding reduction of fuel consumption and CO₂ emissions. Each automobile manufacturer must meet a specific sales-weighted fleet average target, which is related to vehicles footprint average, according to U.S. Code of Federal Regulations 40 CFR 86.1818-12 and procedure 40 CFR Part 600. 2021 Model Year results in table 2.5.4.1 are provided without air conditioning and off-cycle technologies credits.

⁴ The Brazilian regulation (Rota 2030, Law 13,755) imposes requirements on the energy consumption for vehicles sold. Each automobile manufacturer must meet a specific target related to vehicle weight. 2021 results in table 2.5.4.1 are provided without off-cycle credits.

⁵ With respect to Corporate Average Fuel Consumption (CAFC) in China, each automobile manufacturer must meet a specific fleet average fuel consumption target related to vehicle weight. Since 2021, the measurement is based on WLTC cycle, according to GB 27999. 2021 results in table 2.5.4.1 are provided without off-cycle technologies and LEV super-credits.

2.5.4.2 Sales mix by energy type

SASB-410a.2

2021 ¹ (vehicles sold)	Enlarged Europe	North America	South America	Middle East & Africa	China and India & Asia Pacific	Stellantis Total	as a % of total 2021 sales
Electric (BEV)²	202,110	-	251	2,005	1,973	206,339	3.1%
Hybrid (PHEV)	125,429	55,734	36	838	5,344	187,381	2.8%
LEV (BEV+PHEV)	327,539	55,734	287	2,843	7,317	393,720	6.0%
Gasoline	1,466,911	1,745,378	179,434	214,651	207,478	3,813,852	57.8%
Diesel	1,308,245	211,698	125,607	193,191	25,620	1,864,361	28.2%
CNG/LPG	26,236	-	-	638	-	26,874	0.4%
Flex Fuels	-	-	505,162	-	-	505,162	7.6%
TOTAL	3,128,931	2,012,810	810,490	411,323	240,415	6,603,969	100%

¹Sales figures are “sales to customers” based on Stellantis operational reporting tools; Maserati sales are included in the markets where they are sold.

²Including 9,547 fully electric mobility devices (Citroen AMI and Opel ROCKS-e)

2.6 INDUSTRIAL AND SITES CARBON FOOTPRINT



Moving forward into a carbon-efficient production system is the second dimension of Stellantis' decarbonization strategy. The levers presented in this section aim to enable Stellantis to meet its objective of reducing its absolute Scope 1 and 2 GHG emissions by 50% by 2025 compared to 2021, on the path to Carbon Net Zero in 2038.

This section focuses on energy and climate-related aspects of its manufacturing facilities, offices, warehouses, retail operations and other stationary operations. Stellantis' environmental management system is presented in [section 6.3](#).

2.6.1 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

The Industrial manufacturing divisions implement Stellantis Environmental and Energy policy to contribute to a decarbonized economy by achieving net zero emissions within its activities worldwide (scope 1 and 2) by 2038. The policy elements are presented in [section 6.3.2](#).

We are committed to actions that preserve the environment, by implementing initiatives that minimize energy consumption, greenhouse gas emissions and other pollutants. Such initiatives include using alternative and renewable energy sources, supporting the purchase of energy-efficient products and services and designing manufacturing processes for improvements in energy performance.

The analysis of our industrial and site CO₂ performance showed that the main emissions factors were:

- energy consumption in the manufacturing plants (including processes and building systems) of which foundries and paint shops are main contributors;
- the electricity source type consumed by the manufacturing plants.

Therefore, Stellantis seeks solutions in its manufacturing processes that enable reductions in energy consumption, with a particular focus on decreasing the use of

fossil fuels. This involves an energy management approach that notably maps the energy performance of all manufacturing plants and identifies the areas in need of improvement. This also involves associated short-term capital expenditure to reduce energy consumption. Another lever is to increase the share of renewable energies used by the Company to further reduce its carbon footprint.

Energy efficiency will play a key-role in our strategy, the main levers to manage industrial greenhouse gas emissions are:

- managing energy use in manufacturing activities (for more information, [see section 2.6.3.2](#));
- relying on low CO₂ energy sources (for more information, [see section 2.6.3.3](#)) attributed to:
 - Green Electricity contracts;
 - Green self-generated electricity projects.

In an effort to manage energy use, we are defining our joint Energy Management System which is an integral part of the implementation of the "Stellantis Production Way" (for more information, [see section 6.3.3](#)). This managerial approach begins with an initial stage of staff involvement at all levels including the machine operator level, targeting the reduction of energy losses during non-production periods. The following stage consists of developing solutions to reduce consumption during production periods. As solutions are developed, best practices are shared and rolled out across the plants. Stellantis' environmental and energy management policies focus on methodologies and processes related to the optimization of energy use. At the end of 2021, the majority of the Stellantis plants were ISO 50001 certified, representing approximately 77% of the Company's total energy consumption. Accredited third parties certify the Company's Energy Management System. This management system supports our efforts to achieve a steady and consistent reduction in the environmental and energy impact of manufacturing processes.

The attainment of Stellantis' GHG emissions reduction targets is founded on five fundamentals, which are already well established:

- being mindful of regulatory compliance and transparency in relationship with administration bodies;
- involving staff at all levels of the organization;
- rolling out an Energy Management System at the manufacturing sites, taking into account ISO 50001 and ISO 14001 requirements and recommending that suppliers maintain similar management systems;
- implementing production methods which incorporate the best available technologies that have adopted low cost and energy efficient processes from the design stage onwards, covering various aspects of production (logistics, maintenance, production);
- employing shared best practices in these production methods to optimize consumption and emissions.

Main levers to reach Carbon Net Zero for scopes 1 and 2

Period

Short term 2025

- Energy management in all plants
- Energy efficient projects

Medium term 2030

- Site compression and improvement of industrial footprint
- Use and production of renewable energies

Long term 2038

- Technical innovations (e.g. Hydrogen, Power to gas)
- CO₂ capture and storage
- Compensation of residual emissions

2.6.2 ORGANIZATION AND RESOURCES

GRI 103-2

Energy management team

Facilities have a dedicated Site utility manager and a team in charge of the energy management system. They monitor energy consumption, conduct audits, identify potential savings and drive energy reduction projects.

Investment Initiatives

More than €6.3 million is invested in energy savings which is approximately €1.1 per vehicle produced.

All plants have CO₂ reduction targets and are required to present roadmaps to reach net zero emissions and present yearly progress.

The decision making process which allows capital investments in carbon reduction projects takes carbon price into account as well as the alignment with the decarbonization goals.

Participation in the CO₂ emission allowance scheme

European regulation system

Stellantis is part of the CO₂ allowance trading plan implemented by European Directive No. 2003/87/EC, also called the EU Emission Trading Scheme (ETS) regulation amended for combustion operations (heating and processes) of its largest plants and for one of its casting plants. There are 21 sites involved in the fourth phase of the CO₂ emission allowance plan scheduled from 2021 to 2030. Price increased from €25 in 2019 to more than €50 in 2021. Stellantis expects a high increase in the upcoming years.

Canadian regulations system

Canadian Carbon Emissions Levy: Federal Output Based Pricing System (OBPS)

A carbon levy program that imposes “carbon” costs on all fossil fuel-based energy consumption across Canada.

Stellantis two Assembly Plants and Casting Plant located in Canada do not pay for a significant portion of their Carbon emissions under an OBPS program design feature intended to protect Emissions-Intensive and Trade-Exposed industry (EITE) and help businesses transition to the program. Unit Costs of Carbon rise every year from \$20 Canadian dollars (CAD) (€13.50) in 2019 to \$50 CAD (€33.74) per ton in 2022. The Ontario Provincial Emissions Performance System will come into effect in 2022. The Emissions Performance Standard (EPS) will charge for Carbon emissions according to the Annual Emission Limit (AEL) is the amount of allowable emissions in tons of CO₂-eq for each Automotive Facilities. AEL will be declining from 96% to 92% between 2020 and 2022 and expected to continue to decline by 2% through to 2030. OBPS facilities will have to pay an increasing Carbon Cost for every ton of CO₂-eq over the AEL. The increase is expected to be \$10 CAD (€6.75) every year (in line with the Federal program).

2.6.3 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3

Vehicle manufacturing uses energy for a wide range of industrial processes including casting, machining, paint curing, heat treatment, etc., as well as lighting and heating of buildings.

Stellantis has completed a thorough review of its energy consumption and energy efficiency across the Company. A consumption control plan was developed to map the performance of the largest plants in order to identify the lines of action necessary for a full overhaul of their energy patterns.

In 2021, the plants implemented energy saving activities, based on the best practices shared between the two former companies. Each energy reduction project is validated based on its CO₂ impact and return on investment. Once validated and implemented at one of the Company's sites, initiatives that prove successful are gradually rolled out to all plants.

The actions to reduce energy consumption in production processes are described in [more details in 2.6.3.2.1](#) >

COVID-19 IMPACTS ON OPERATIONS

During the COVID-19 shutdown period the individual plant energy consumption (gas and electricity) was monitored to minimize the financial and economic impacts to the corporation. With few resources physically at the plants, we created a new process called a Virtual Energy Treasure Hunt, which allowed the Stellantis Energy Teams to identify energy savings opportunities while working remotely due to COVID-19. This remote strategy for managing overall plant energy consumption was completed using remote connections to the utility meters, however we needed to drill deeper into the major energy consuming sub-systems to diagnose where they were in terms of energy consumption.

The Energy Teams worked their way through each major energy using sub-system, such as compressed air, chillers, HVAC, boilers, lighting and process systems, to gain access to information concerning the idle condition of each of the systems.

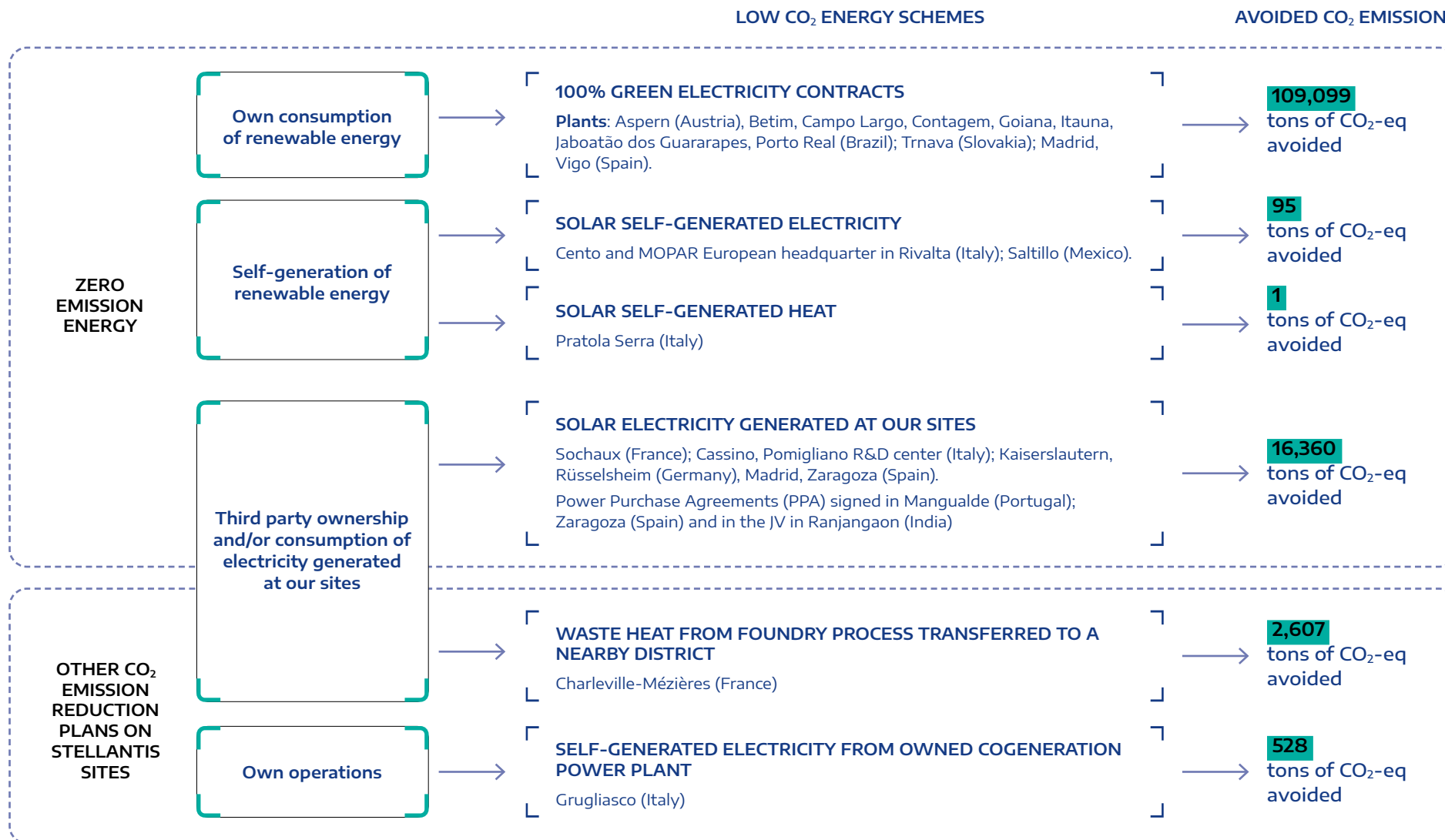
The Energy Teams used specific information gateways to those systems which could be interrogated remotely and analyzed.

Gaining access to a full plant non-operating mode such as with COVID-19 presented an opportunity to challenge the organization to push the setbacks in "non-production" mode beyond their standard levels and thereby generated additional savings and set up future best practice values for energy setbacks.

Many plants achieved energy reductions well beyond typical shutdown levels and set new benchmarks for future actions. These new behavioral actions and adjustments made during the extended shutdown were summarized in a White Paper presented with the American Council for an Energy Efficient Economy (ACEEE) titled, "**Stellantis drives Operational Savings during COVID**".

The Virtual Energy Treasure Hunt was presented to the Energy Star Industrial Partner group in the U.S. Another key strategy to managing energy was to share best practices with all plants including the new shutdown practices learned during the COVID-19 shutdowns.

ENERGY SCHEMES TO CUT CO₂ EMISSIONS



¹PPA: Power Purchasing Agreement

2.6.3.1 Main achievements on GHG emission reduction

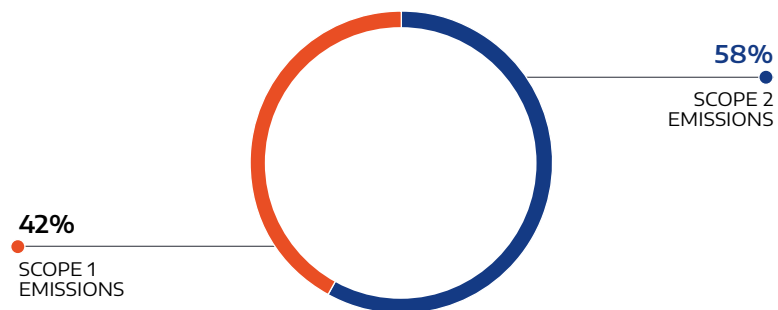
GRI 302-1 | GRI 305-1 | GRI 305-2 | GRI 305-4

In 2021, Scope 1 emissions amounted to **1,641,028 tons of CO₂-eq**. Scope 2 emissions amounted to **2,233,459 tons of CO₂-eq**.

This corresponds to **0.663 tons of CO₂-eq (Scope 1 + 2) per vehicle produced**.

Due to COVID-19 and semi-conductor crisis, production levels for 2021 were lower than expected. This situation led to a positive absolute emissions situation. However, results are untypical of a normalized situation.

The breakdown of GHG emission is as follows:



Details of Scope 1 and 2 emissions are provided in [section 2.6.4.1](#).

This graph shows the scopes of CO₂ emissions for Stellantis facilities.

Placing short, medium and long-term quantitative targets on the share of electricity consumed from renewable sources enables Stellantis to define and track alignment with a clear roadmap of how to attain its Scope 1 and 2 CO₂ emissions reduction targets. By 2025, Stellantis will use 50% of electricity coming from renewable or decarbonized sources. The target is for the share to increase to 100% by 2030.

In 2021, the share of decarbonized electricity used by the Company amounted to 2,940 GWh, i.e. 45% of the electricity consumed, it includes renewable electricity (1,170 GWh) representing 18% of the total consumed electricity.

The share of renewable electricity comes directly from electricity suppliers.

In Brazil, where the majority of our South American plants are located, around 80% of the electricity produced comes from renewable sources.

The 1,169,776 MWh of electricity consumed from renewable sources were generated by hydropower, solar power, biomass and wind power and from other renewable sources such as geothermal and marine power.

A science-based roadmap for CO₂ Scope 1 and 2 emissions to reach Net Zero in 2038

Stellantis has defined its CO₂ emission reduction roadmap and targets for scopes 1 and 2 in accordance with Science Based Target initiative (SBTi) methodology and aligned with 1.5°C scenario.

Having 2021 as a baseline, the target is to reduce emissions from Scope 1 and 2 by 50% in 2025, by 75% in 2030 and reaching Carbon Net Zero, with single digit % compensation of residual emissions, by 2038.

2.6.3.2 Main initiative on GHG emission reduction

GRI 103-2 | GRI 305-5

The following sections detail the initiatives that enable most part of industrial and sites CO₂ emissions reductions.

2.6.3.2.1. Low-carbon energy consumption

In 2021, the plants in Betim, Campo Largo, Contagem, Goiana, Itauna, Jaboatão dos Guararapes, Porto Real (Brazil), Trnava (Slovakia) and Madrid, Vigo (Spain) sourced 100% green electricity. From the beginning of 2021, a green electricity contract for the supply of Aspern (Austria) also came into force. The 100% Green Electricity contracts led to the avoidance of 109,099 tons of CO₂-eq.

In South America, Stellantis aims to measure, manage, reduce and offset the annual GHG emissions produced from the daily activities of regional plants through third-party verified emission inventory. The Stellantis assembly plant in Goiana (Brazil) was South America's first auto plant to have neutralized its GHG emission inventory certified by a third party. The plant's neutralized impact was the result of emissions reduction effort: energy efficiency, use of renewable electricity and replacement of fossil fuel by alcohol and electricity. The remaining emissions have been offset with carbon credits certified by Clean Development Mechanism (CDM). The majority of the projects selected were to produce energy from landfill waste and other actions included planting seedlings, recovering environmentally degraded areas and raising awareness of suppliers.

The result achieved in Goiana was extended to the 16 suppliers in its Supplier park that became the first multi-plant industrial complex to neutralize its certified GHG emissions in Brazil. In addition, the following Brazilian sites also certified their emission inventories and neutralized their Scope 1 and 2 emissions: Campo Largo and Betim engine plants; component plants in Jaboatão dos Guararapes, Goiana and Contagem; and parts distribution centers in Betim and Hortolândia along with some regional offices in both Brazil and Chile. As a result, in 2021, 6 Stellantis plants in South America achieved these results, representing 55% of the company's plants in South America. Stellantis was also recognized by the Brazilian GHG Protocol Program with a Gold Seal for completing and certifying the GHG emissions inventory. Completing an inventory of emitting sources is a key step on the roadmap to achieve carbon Net Zero.

The wood furnace in the Vesoul (France) plant produced 16,895 MWh in 2021 (5,596 tons of CO₂) by burning wood packaging waste generated on site. This action reduces waste transportation and avoids fossil fuel emissions.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



Stellantis is driving its initiatives under consideration of local circumstances to identify most appropriate approach. In parallel to our electrification programs, initiatives for decarbonization of our facilities are being developed, as illustrated in the following example:

Ellesmere Port (UK) is on track to become Stellantis' first manufacturing site dedicated to battery electric LCV and passenger car models for Vauxhall, Opel, Peugeot and Citroën (late 2022). Stellantis has planned a £100 million (€116 million) investment, supported by the UK government, to secure an all-electric future for the plant. The goal at the Ellesmere Port plant is to be self-sufficient for electricity by mid decade.

2.6.3.2.2. Low-carbon energy generation

To increase the share of self-produced green energy, Power Purchase Agreements (PPA) were signed in Zaragoza, Spain (12,000 MWh) and at the Mangualde plant in Portugal (4,000 MWh). These contracts stipulated the installation of solar power panels on the plant premises. Electricity production started in 2021. Photovoltaic panels were installed with the support of the Company's partners in Sochaux (France), Kaiserslautern and Rüsselsheim (Germany), Madrid and Zaragoza (Spain) plants. The CO₂ emissions reduction is estimated at 8,866 tons of CO₂-eq per year.

The self-production of renewable electricity at the Zaragoza plant is Spain's largest renewable self-generation project. The photovoltaic installation, developed and executed by Prosofia Energy, consists of 19,200 photovoltaic modules installed over a 87,000 square meter surface. The project's capacity, 8.64 MW, is sufficient to provide 15% of the plant's annual electricity consumption. Therefore, Stellantis Zaragoza is capable of generating and obtaining its own "clean" energy, increasing its competitiveness in a market of rising electricity prices. At the same time, it fulfills its purpose of reducing carbon emissions, avoiding more than 2.2 thousands tons of CO₂-eq. In addition, the Zaragoza plant is certified according to ISO 50001 standards and on the path to implementing the "Stellantis Production Way" sustainable efficiency model.

Furthermore, an ongoing project to install photovoltaic panels in the Vigo plant should eventually enable the self-generation of 17% of the plant's electricity needs. The capacity of the first phase of the project is expected to be 8 MW in 2022 and is anticipated to increase to 15 MW in the future. By 2030, the plant plans to rely on green hydrogen instead of natural gas for some of its industrial processes.

The Ranjangaon plant in India is a JV supplied by green energy generated by wind power and photovoltaic (PPA) for a supply of 8,500 MWh per year, saving 6,350 tons of CO₂-eq.

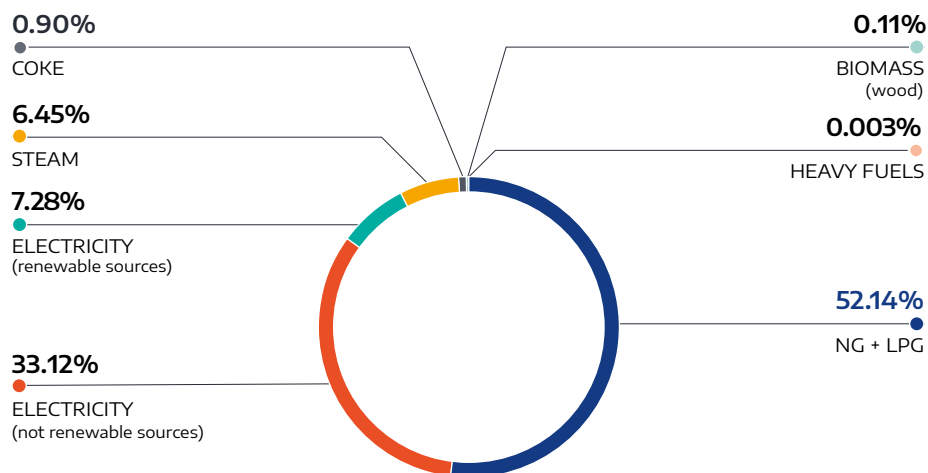
2.6.3.3 Main achievements on energy use reduction

GRI 302-4

In 2021, Stellantis' industrial activities led to the consumption of **16,058,210 MWh of energy**.

This amounts to **2.8 MWh per vehicle produced**.

The breakdown of energy consumption is as follows:



Details of energy consumption are provided in [section 2.6.4.2](#).

This graph shows the sources of energy consumed in Stellantis facilities. This representation allows comparison with data from other manufacturers in the sector without casting operations.

2.6.3.4 Main initiatives on energy use reduction

GRI 302-4

In light of the environmental challenges related to GHG emissions, despite the fact that industrial GHG emissions represent a relatively small portion of the vehicle's carbon footprint throughout its life cycle, the Manufacturing Division continued its effort on its own strategy towards reduced energy consumption and a carbon free environment within a given time period.

Stellantis focused on energy efficiency projects and initiatives as an integrated part of the CO₂ decarbonization strategy.

As part of the Company merger, we used the opportunity to learn from former PSA and FCA companies by sharing best practices on a global level. Significant energy and emission reduction projects are shared next.

2.6.3.4.1 Energy efficiency in buildings

Lighting

Lighting retrofits were implemented at numerous plants around the globe and included innovative lighting designs which utilized the latest LED lighting and control technology for enhanced operations. Collectively these projects were an investment of €4.8 million with a provided benefit of €5 million. Some of the largest retrofits that took place included:

- Over 10,000 lighting fixture and control retrofits at four manufacturing plants in North America (NA) resulting in over 30,000 MWh/year saved and 7,000 tons of CO₂ reduced;
- Over 7,000 lighting fixture retrofits in Goiana (Brazil) which resulted in more than 3,500 MWh/year of energy saved and 220 tons of CO₂ reduced;
- LED retrofits in Sochaux (France), Torino Mirafiori (Italy) and Pomigliano d'Arco (Italy);
- During branding image projects, the French dealerships invested €160 thousands in lighting renovation of car parks using LED and solar panels for an expected saving of 260 MWh per year.

Temperature management

- New Energy Management Systems to control plant wide heating, ventilation and air-conditioning (HVAC) systems were added at the Windsor Assembly Plant (Canada), saving over 15,000 MWh/year and 2,500 tons of CO₂ reduced. This project provides a €1.9 million of benefits to Stellantis including energy savings, carbon levy avoidance and government incentives;
- In Goiana (Brazil), the plant optimized real-time efficiency of the chilled water system through the integration of intelligent and adaptive controls. The project achieved an efficiency improvement of 20 percent. Energy consumption was reduced by over 7,800 MWh and resulted in approximately 500 tons of CO₂ reduced.

Insulation

- Insulation of equipment supports the reduction of energy consumption as for example for the boiler house in Sochaux (France);
- during branding image projects, the French dealerships invested €700 thousands in roof thermal insulation for expected yearly saving of 600 MWh and 90 tons of CO₂-eq.

2.6.3.4.2 Energy efficiency in production processes

Compressed Air

Since compressed air is the most expensive energy in a plant, we improved our efficiency:

- in North America, new trim compressors were installed at multiple plants and a comprehensive compressed air leak survey was completed at seven plants;
- in Sochaux (France) with the installation of a new compressor station.

Variable Frequency Drive

- Stellantis focused within this year on improving ventilation and pumping systems by installing variable speed drives in several plants for example in Atessa, Termoli and Cassino (Italy).

Process Optimization

- Over 750 process improvement projects were completed in South America that reduced 42,000 MWh of Electricity, 17 MWh of natural gas and 6,700 tons of CO₂. Most of the energy savings from these projects were a result of plant process optimization and improved shutdown efforts;
- in North America, process electricity optimization projects in the General Assembly and Body Shop at the Toluca Assembly Plant resulted in over 8,000 MWh saved and over 2,000 tons of CO₂ reduced. This project provided a benefit of over €0.9 million in energy savings annually;
- beside initiatives on building and building equipment, the major consumer of a vehicle manufacturing plant is the painting process. Therefore we continue to roll out an improved concept to lower the natural gas consumption as we did in Luton (UK), which will take a significant effect in the year 2022;

- Stellantis improved the heat recovery ratio on the painting Regenerative Thermal Oxidizer (RTO) in Kragujevac (Serbia) saving approximately 16,000 MWh and 1,000 tons of CO₂-eq;
- the Windsor Assembly Plant was recognized by the Association of Energy Engineers (AEE) for the Canada Region 2021 Energy Project of the Year regarding the Topcoat Observation Booth Downdraft Optimization project. Each year, AEE recognizes one innovative energy management project award recipient for this category per region. The winning energy project maximized energy efficiency of the plants largest energy user, the paint shop topcoat booths.

2.6.3.4.3 Company policy or behavioral change:

Real estate footprint

In 2021, the Real Estate Division continued to work on our footprint optimization for all Stellantis activities:

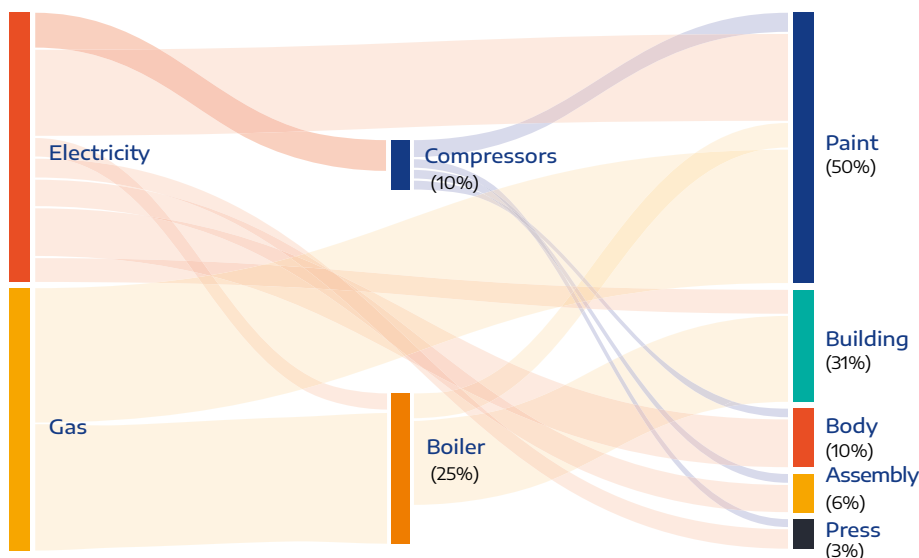
- Evolution of use principles, geographical grouping of activities, maximizing use intensity, compaction (reduction of 800,000 square meters). Collectively, these actions provided an estimate reduction of 23,000 tons of CO₂-eq. Real Estate committees integrate the environmental issues of projects into decision-making processes including improvement of energy efficiency in the major renovation projects of our dealership, financial support for energy retrofits of buildings and the implementation of renewable energy solution.
- Automotive Trade also conducted energy savings activities to improve energy efficiency. For all French dealerships and Warehouses, energy supervision has been implemented in 2021 to support site managers and share best practices. This also allowed to minimize consumption during the shutdown periods. The French dealership network represents 48% of the scope. Activity grouping, including installation renovation, is the main action to significantly reduce the energy consumption in the dealership network. For example, the grouping of two dealerships in Toulouse (France) in a new building compliant with the latest French Thermals Regulations for new building (RT2012) will allow significant energy savings compared to the previous older buildings.

In Poissy (France) and Rüsselsheim (Germany), Stellantis plans to develop green campus for the national headquarters that will serve as role models for Stellantis with low-carbon concept and extensive “greening” by 2025.

- **Poissy** headquarter in France is expected to group together employees working in nearby sites in a 60,000 m² campus. With this project, Stellantis expects to reduce its real estate footprint with a modern, vegetated site, using cutting-edge construction technologies to reduce CO₂ emissions;
- **Rüsselsheim** headquarter in Germany is expected to be transformed to minimize its carbon impact with a consistent low-energy concept and extensive use of solar panels on roofs. The headquarter is to be integrated into an historical building, allowing reduced use of resources compared to the construction of a completely new building. Stellantis integrates the great industrial tradition of the Company into its future site concept. The concept also integrates state-of-the-art equipment and allows easy accessibility.

The initiatives implemented by Stellantis in 2021 resulted in an emission reduction in scope 1 and scope 2 of **49,924 tons of CO₂-eq equals to 8.8 kg of CO₂-eq/vehicle produced.**

AVERAGE PLANT ENERGY SPENDING AND (ELECTRICITY AND GAS) CONSUMPTION



The actions to control energy consumption led to savings of approximately €9.8 million. These figures are included in the vehicle production costs and affect the Stellantis' overall economic performance.

2.6.4 DETAILED KEY PERFORMANCE INDICATORS

TCFD.Ma GRI 103-3

2.6.4.1 Greenhouse gas emissions

GRI 302-3 GRI 305-1 GRI 305-2

Note: Direct emissions are calculated based on the direct energy consumption by applying emission factors acknowledged by the greenhouse gas emissions trading system (EU ETS) in compliance with the decree of October 31, 2012 or European Regulation 2012/601 in the case of CO₂-eq and the circular of April 15, 2002 for all other gases. Changes in emission levels are thus directly related to changes in energy consumption.

2021 (tons)	Direct GHG emissions in CO ₂ -eq (scope 1)	Direct GHG emissions from biomass (CO ₂ -eq) ¹	Indirect GHG emissions in CO ₂ -eq (scope 2)	Total GHG emissions ² (scope 1 + scope 2)
Enlarged Europe	764,309	5,596	959,555	1,723,864
North America	760,484	-	1,163,882	1,924,366
South America	65,160	-	36,902	102,062
Middle East & Africa	6,299	-	20,596	26,895
China and India & Asia Pacific	647	-	-	647
Total Manufacturing	1,596,899	5596	2,180,935	3,777,834
Retail	44,129.00	-	52,524.00	96,652
TOTAL	1,641,028	5,596	2,233,459	3,874,486

The data provided above has taken into account all emissions from all Stellantis industrial facilities including direct emissions from four cogeneration plants.

¹ Greenhouse gas emissions from the combustion of biomass are not included in direct emissions in accordance with the GHG Protocol guidelines. The deviation to the NFI is 105,254 tons CO₂ of energy and is linked to the energy sold (equals 0.027 % of total).

² Direct GHG emissions expressed in t CO₂-eq. are calculated by applying coefficients (global warming potential) of 298 for N₂O and 21 for CH₄ (source: IPCC reports, 2007 and 1995 respectively). Indirect emissions are calculated from electricity and steam purchases in compliance with emission factors obtained from suppliers for steam, based on the previous year's electricity factors.

The Company uses energy produced by cogeneration plants managed by two different approaches. In Melfi, Melfi Plastic, Cassino and Atessa (Italy), Sochaux, Rennes, Mulhouse and Hordain (France) plants have signed contracts with external suppliers which provide electricity, steam and hot water used in paint shop process. Four other cogeneration plants produce electricity and steam from gas. The energy produced is partly used in the plant, but a large part is also sold to other facilities or to external customers. The amount of gas used is 1,434,429 MWh LHV to produce 329,405 MWh of electricity and 433,871 MWh of steam. Electricity generated by cogenerations operated in Zaragoza, Grugliasco, Rüsselsheim and Eisenach has a lower CO₂-eq content than the national electricity mix from the grid and therefore contributes to CO₂-eq reduction. These scope 1 emissions of the energy sold increase the reported absolute emissions even though they were not caused by the production. The CO₂-eq from energy sold to external customers represents 105,254 tons in 2021.

2.6.4.2 Breakdown of energy consumption from operations

GRI 302-1

Reported energy consumption is expressed in MWh LCV (the most common unit of measurement). In terms of method, the use of calorific values is recommended by the French decree of October 31, 2012 as part of the application of European regulation No. 601/2012 on the monitoring and declaration of greenhouse gas emissions under Directive 2003/87/EC of the European Parliament and Council. The coefficients proposed by these two regulations are derived from the work of the IPCC (Intergovernmental Panel on Climate Change), as are those of the Greenhouse Gas (GHG) Protocol, used as a reference by the Global Reporting Initiative (GRI). Following this approach, values expressed in MWh can be converted to GJ simply by applying a multiplying factor of 3.6 (1 Wh = 3.6 kJ).

2021 (MWh)	Combustible energy					Non-combustible energy				Total energy consumption
	Non-renewable			Renewable		Electricity	Of which decarbonized electricity	Share of decarbonized electricity (%)	Steam	
	Heavy fuels	HHO	NG + LPG	Coke	Biomass (wood)					
Enlarged Europe	561	-	3,928,611	76,121	16,895	2,985,282	1,759,576	59	1,034,074	8,041,544
North America	-	-	4,063,762	68,883	-	2,742,931	1,001,723	37	-	6,875,576
South America	-	-	343,766	-	-	589,166	156,048	26	-	932,932
Middle East & Africa	-	-	34,699	-	-	34,315	6,217	18	-	69,014
China and India & Asia Pacific	-	-	1,509	-	-	9,937	5,455	55	-	11,446
Total Manufacturing	561	-	8,372,348	145,004	16,895	6,361,631	2,929,019	46	1,034,074	15,930,512
Retail	-	-	253	-	-	126,519	11,053	9	925	127,697
TOTAL	561	-	8,372,601	145,004	16,895	6,488,151	2,940,072	45	1,034,999	16,058,210¹

¹The deviation to the NFI is 7,554 MWh of energy by a transmission error (equals 0,047 % of total).

2.7 CARBON FOOTPRINT OF THE SUPPLY CHAIN: PURCHASING AND LOGISTICS



Improving the environmental performance of the supply chain is the third dimension of Stellantis' decarbonization strategy. The levers presented in this section aim to enable Stellantis to meet its objective of reaching carbon net zero with single-digit % of compensation over its entire supply chain in 2038.

Stellantis' responsible purchasing practices are presented in [section 7.1](#) > This section focuses on environmental and climate-related aspects.

2.7.1 POLICIES TO EXECUTE THE STRATEGY



Reducing the Company's carbon footprint includes actions to reduce the CO₂ emissions related to:

- purchasing, as the extraction of materials and the production of parts represents the second largest source of Stellantis' CO₂ emissions ([see 2.7.3.1](#) >);
- logistics, which represents a small portion of the carbon footprint of Stellantis ([see 2.7.3.2](#) >).

Purchasing

Suppliers to Stellantis are deeply involved in the Company's approach to reducing CO₂ emissions in the supply chain, including the emissions generated for the production of goods and services purchased by Stellantis. Our strategy to reduce greenhouse gas emissions in the entire supply chain consists of:

- selecting suppliers according to environmental criteria such as the ISO 14001 certification, or their capacity to develop products which incorporate green or recycled materials. Currently 62% of direct material suppliers have ISO 14001 certifications available;

- collecting a status report from its major suppliers on their current and future CO₂ emissions and implementing a reduction plan by inviting them annually to participate in the Stellantis CDP Supply Chain program. CDP is an organization which supports companies with the disclosure of environmental impacts. It aims to make environmental reporting and risk management a business norm while driving disclosure, insight and action towards a sustainable economy.

Stellantis' climate change objectives are translated into contractual commitments via specifications and purchasing policies according to two different criteria: the CO₂ emissions generated and the type of materials used.

- Regarding CO₂ emissions linked to the Company's purchases from suppliers, the Purchasing and Supply Chain division challenges its suppliers to establish and work according to an emission reduction plan at least compliant with the Paris Agreement and to be aligned with Stellantis climate ambitions. In 2021, 49% of the Company's suppliers set up a reporting process for energy consumption or greenhouse gas emissions. Stellantis is placing particular emphasis on CO₂ emissions linked to some specific commodities covering around 80% of the CO₂ emission footprint of the supply chain.
- Ambitious targets have been set on the percentage of "green/recyclable materials". These objectives are also a key focus of the innovation policy that is part of the Company's supplier certification criteria ([see 7.1.5](#) >). Furthermore, suppliers also have a key role to play in our commitments on reducing hazardous substances in two main areas: first, the elimination of four heavy metals (lead, mercury, cadmium and hexavalent chromium) and second, compliance with REACH regulations based on the recommendations issued by ACEA, of which Stellantis is a member. Refer to [section 6.1](#) >.

Logistics

Stellantis' logistics operations policy

A specific policy is defined to reduce GHG emissions from logistics and identify areas of improvement and actions needed.

The logistics operations are handled by a variety of external operators and a minority of internal operations, depending on the origin and destination of the goods. The Company has adopted Logistics Guidelines that provide direction on how to

optimize transport fleet characteristics and apply methodologies to reduce the impact of freight and vehicle movement. Stellantis has established a specific CO₂ requirement in its sustainable policy guidelines and has included the CO₂ performance as a criteria in its business award.

The Company's logistics approach focuses on the:

- optimization of logistics flows regarding network, mode and capacity in addition to the adoption of low-emission transport vehicles in our own fleets to improve performance and minimize impacts on the environment:
 - make efforts to use the least polluting transport methods available, in line with the most stringent environmental standards;
 - parts transported from suppliers to Stellantis European plants are pooled in central hubs and then delivered to plants, first for ex-PSA perimeter and then it should be extended to other Stellantis plants. This bulk transport reduces the number of trucks on the road;
 - the Company is exploring and prioritizing alternatives to road transport by increasing the use of rail and river transport;
 - contractors comply with applicable legislation and regulations;
- implementation of emerging solutions and technologies to protect parts and decrease the use of packaging and protective materials to save resources.

Employee travel policy

Stellantis undertakes policies to optimize employee mobility and reduce CO₂ emissions related to business travel. This approach encourages a more frugal approach to travel and supports alternatives to traditional individual transport. The Company is committed to limit travel to what is strictly necessary. The Company also focuses on the promotion of remote working, which reduces commuting.

2.7.2 ORGANIZATION AND RESOURCES

GRI 103-2

Purchasing

Monitoring CO₂ emissions and GHG emissions of our supply chain is a major aspect of our responsible purchasing practices. It requires various internal and external resources and is deeply embedded in our management and tracking tools for CSR as well as the decision making process. Refer to [section 7.1.6 >](#) to learn more about our allocated resources on responsible purchasing practices and to [section 7.1.4 >](#) for the governance and organizational set-up of CSR management inside the Global Purchasing and Supply Chain Department (GPSC).

Stellantis has started to use CO₂ performance of suppliers as a key factor in sourcing decisions for raw materials we directly purchase in European supply requirements. In particular, we are utilizing the CDP Supply Chain module as CDP is the most recognized global carbon accounting initiative and has the biggest network and impact. This initiative promotes awareness among suppliers of their impact on the climate, particularly regarding greenhouse gas emissions and provides detailed information on the suppliers' level of emissions as well as reduction targets and commitments. For more information and data, refer to [sections 2.7.3 >](#) and [2.7.4 >](#).

Furthermore, greenhouse gas (GHG) emissions and CO₂ emissions are major subjects discussed in the Drive Sustainability Initiative, where Stellantis is a partner, as well as in various other Automotive industry groups in multiple countries. Refer to the Purchasing CSR Resources Matrix in [section 7.1.6 >](#), for more info on our participation in CSR related working groups and associations.

Logistics

Stellantis also created a specific environmental network in the Logistics Department to focus on the reduction of the logistics carbon impact and waste reduction roadmap. This network target is to:

- improve the way of measuring logistics CO₂ emissions and waste impacts;
- analyze those impacts;
- set up and follow activities to reduce emissions and waste.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



The increase of Low Emission Vehicles (LEVs) strategy has two impacts on our logistics. The first one is on the sourcing of LEVs' component, which comes with an increase of our upstream distances. The solution to this impact is the creation of a battery Giga Factory close to our plants already announced by Stellantis. The second impact is the increase of the LEVs weight, which bring a strong constraint on our trucks capacity thus affecting our loading rate on our downstream flow. We are currently working on this topic to find solutions.

2.7.3 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 302-2 | GRI 305-4

2.7.3.1 Initiatives to support the electrification strategy

Over the next three years we intend to expand our electrification plan across all products and all Regions. We want to ensure the availability of our EV products for our customers and that means securing batteries and raw material supply.

Working with suppliers that are best in class on environmental criteria enables Stellantis, as of 2021, to be engaged in joint innovation projects with 29 suppliers to identify and implement technologies that reduce CO₂ emissions of the vehicles as well as in the production of parts. In order to secure the supply of critical materials needed to produce LEVs, it is necessary to have supporting contracts and relationships with our supply chain to procure the needed raw materials which will also reinforce the strategy for emissions reduction. Refer to [section 2.5.3.2.2 >](#) for more details related to the binding agreement.

In addition, Stellantis' electrification strategy relies on battery repair and reuse, which could contribute to reducing CO₂ emissions from the raw materials and parts supply chain by decreasing the quantity of materials that needs to be purchased (for more information, [see section 6.1.7.6 >](#)).

2.7.3.2 Suppliers make a significant contribution to Stellantis' environmental targets

GRI 305-5 | GRI 308-2

Most suppliers in the automotive industry face the same environmental issues as Stellantis itself, which pushes them to reduce their carbon footprint and water consumption, managing their industrial waste, improving waste recycling and protecting biodiversity. Stellantis involves them in the efforts to monitor our environmental roadmap.

At this time the manufacturing of BEVs is more CO₂ intensive than the manufacturing of ICEVs, principally due to the production of the battery. Moreover, EV manufacturing uses more aluminum to reduce vehicle weight and therefore optimize their energy efficiency and their range. As a result, electrification, although it reduces significantly CO₂ emissions from the use of sold products, could lead to an increase in Stellantis' CO₂ emissions from the purchases of materials and parts.

CO₂ emissions linked to purchases of materials and components correspond to more than 10% of Stellantis' European carbon footprint.

Efforts carried out by Stellantis to integrate suppliers into our CO₂ emissions reduction ambitions are based on:

- **the integration of climate change in the supplier selection and evaluation processes:** as part of its responsible purchasing strategy, presented in [section 7.1.5 >](#), Stellantis assesses the supply base also on environmental criteria annually via the CDP Supply Chain Module as well as part of the EcoVadis process annually. In 2021, the average environmental score in EcoVadis of Stellantis suppliers was 53.4, outperforming all suppliers assessed by EcoVadis, which had an average score of 43.8. In 2021, 2,561 supplier groups were assessed, corresponding to more than 80% of the Annual Purchased Value. In case of insufficient performance or nonconformities, suppliers have to prove their actions in Corrective Action Plans, that get shared with Stellantis and monitored.
- **The requirement for key suppliers to commit to a CO₂ emissions reduction trajectory that complies with the Paris Agreement:** as of 2021, more than 55% of our most important suppliers (based on APV) commit to a CO₂ trend which complies with the Paris Agreement. The Company verifies their environmental roadmap and action plans. Placing quantitative targets on the share of Annual Purchased Value coming from suppliers with CO₂ reduction targets compliant with the Paris Agreement enables Stellantis to define and track alignment with a clear roadmap of how to attain its carbon neutrality target. By 2025, Stellantis aims to have 80% of its APV coming from suppliers with CO₂ reduction trends compliant with the Paris Agreement. The share is then expected to increase to 95% by 2030 and to contribute to the carbon net zero with single-digit % of compensation objectives in 2038.
- **The collaboration of all major suppliers in the Stellantis CDP Supply Chain program.** To promote and closely monitor awareness among suppliers of their impact on climate change, 249 suppliers have been invited to participate to the program in 2021. See details on the survey in [section 2.7.4 >](#). This program allows for a deeper understanding of several aspects including: the management, the targets and the results of individual CO₂ emissions of all major CO₂ emitting suppliers of Stellantis.

- **The deployment of an engagement campaign to educate suppliers about climate change:** Stellantis considers all suppliers as partners which play a key role to reduce carbon emissions in the supply chain. Therefore, various ways of dialogue and training opportunities are offered to the supply base for CSR related matters, in particular on CO₂ emissions and GHG. Refer to [section 7.1.7 >](#) to learn about all the details regarding CSR trainings that Stellantis offers for suppliers.
- **Maintaining dialogue with key suppliers:** The company intensifies the dialogue on CO₂ with its key suppliers and key partners during annual business reviews with the biggest CO₂ contributors in the supply chain. Refer to [section 7.1.7 >](#) to learn more about the supplier business reviews.
- **Organizing annual supplier awards event:** Our very top Suppliers having a leading CSR Performance are annually recognized by our GPSC Top Leadership in the CSR category of our supplier award. The requirements and criteria for this award includes a strong CO₂ Performance, overall CSR Policy and Achievements. Refer to [section 7.1.7 >](#) to learn more about the annual supplier awards event. In 2021, the CSR Award winner, Valeo, was selected for its large contribution to the implementation of low emission vehicle technology as well as for its low CO₂ emissions in production.

Stellantis' 2025 target is to monitor 80% (based on APV) of suppliers' CO₂ emissions through the Stellantis CDP Supply Chain program and dedicated actions from specific focus commodities.

2.7.3.3 Reducing the carbon impact of logistics operations and travel

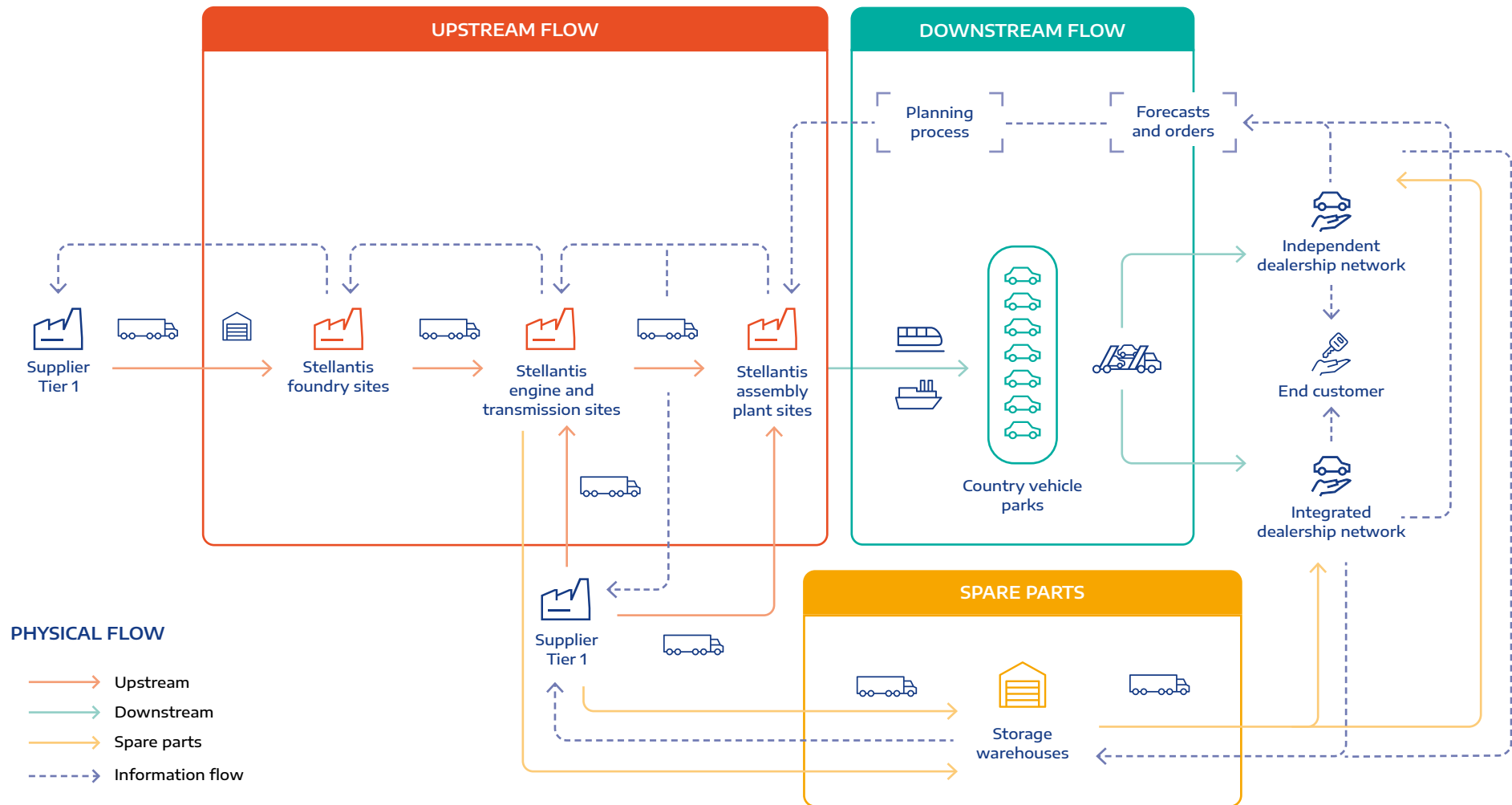
Stellantis is a global vehicle manufacturer and therefore manages thousands of flows on a daily basis, from sourcing supplies for its plants to delivering vehicles and spare parts to its clients. Stellantis' logistics operations are part of the scope 3 emission category¹.

Stellantis is working to define an ambitious trajectory for the carbon footprint of logistics operations that would be compliant with the Paris Agreement.

¹Since they represent a minor portion of the logistics flows, internal logistics emissions are included in the scope 3 disclosure.

2.7.3.3.1 Reducing the carbon impact of logistics operations

LOGISTIC FLOWS



Actions undertaken by Stellantis

This table presents examples of actions undertaken from both companies. The organization to monitor CO₂ logistics challenge was completely different, with a consolidated vision from ex-PSA and a larger autonomy of regions from ex-FCA.

Actions and levers used	Gains/results obtained	Company origin of the action and convergence maturity
<p>Optimization of packaging and volumes transported with:</p> <ul style="list-style-type: none"> Use of sustainable packaging Design to logistics initiative to track the transport impact of parts right from the design phase. 	<p>Waste reduction in new vehicle project:</p> <ul style="list-style-type: none"> The reuse of returnable containers in new vehicle projects allows to reduce waste and packaging are standardized to limit the use of disposable material. Technical specifications for logistics (TSFLs) have been drawn up for the large majority of part families and these set out our logistics requirements for our research and development centers. <p>For example, the volume of parts transported for the new Peugeot 208 has decreased by 6% and for new project 3008 it will be 20% compared with the previous model.</p>	<p>From both companies, a new Stellantis standard is under definition to evaluate the sustainability of the packaging. It will be rolled-out for all new vehicle projects in 2022.</p> <p>From an ex-PSA initiative, this design to logistics to track the transport impact of parts right from the design phase will be included in the future common specifications for new vehicles projects.</p>
<p>Reduced industrial waste (upstream) with:</p> <ul style="list-style-type: none"> Reusing disposable packaging for overseas flows. Take into account plant waste management in logistics 	<ul style="list-style-type: none"> Waste reduction: the reuse of disposable packaging has been implemented for major flows between Europe and Russia or South America as well as China, South East Asia and North America. Wooden packaging is reused, which reduces the quantity of waste at the plant of delivery Studies on plants worse packaging for wastes management are made to save waste cost and waste tons 	<p>From both companies, a global policy about overseas packaging and associated waste is based on the reduction of necessary packaging, the reuse of packaging used for shipping and, finally, the recovery if reuse is not possible.</p> <p>The best practices will be widely implemented into Stellantis new processes.</p> <p>From ex PSA side, new requirements have been set up in the specifications to take into account the plants difficulties to handle the quantity and diversity of packaging wastes.</p> <p>Best practices will be shared in 2022 between the different regions and company's culture to define a new Stellantis standard.</p>

Actions and levers used	Gains/results obtained	Company origin of the action and convergence maturity
Improve global monitoring of logistic CO₂ emissions.		
<p>Exploration of the different solutions available.</p>	<p>Preselection of a CO₂ monitoring system adapted to the diversity of our Transport Management System (TMS) regarding upstream and downstream CO₂ emissions.</p> <p>The goal is to improve awareness with a shared vision between all transport stakeholders.</p>	<p>From ex-PSA side, there was a monthly monitoring of the logistics CO₂ emission with the supplier, followed by workshops for improvements. First, we will use it in Enlarged Europe as a pilot and it will after be extended worldwide.</p>
Innovative means of transportation		
<ul style="list-style-type: none"> Development of a new autonomous and hydrogen barge project in northeast France, in the Rhône au Rhin canal. 	<p>An economical study has been made on this circular river route between Mulhouse, Tremery and Charleville plants. This study shows costs savings opportunities and CO₂-eq savings of 4,500 tons/year compared to the current logistic flow. The first prototype will be available end of 2022.</p>	<p>PSA had been contacted by the CEA - Commissariat à l'Energie Atomique - to confirm the interest of the project. New discussions are opened to follow the advancement of the project and its possible extension on other flows in the future.</p>
Make Parts Distribution Centers carbon neutral		
<ul style="list-style-type: none"> Stellantis opened a leading edge Parts Distribution Center (PDC) and Logistics Center in Rivalta (Italy). The PDC distributes accessories and spare parts to over 5,000 destinations and is engineered to pursue continuous improvement by an approach that seeks excellence and improved service levels and customer satisfaction due to reduced operations lead time and human errors, in addition to reducing consumption of natural resources and energy. 	<p>The existing building was renovated while minimizing new construction and land consumption, saving 2,600 tons of CO₂ emissions when compared to building on a greenfield site. In 2021, the site achieved LEED Platinum certification. The site uses 100% renewable energy, produced and purchased with 1 MW of energy sourced from about 3,000 photovoltaic panels installed on the roof and side of the building</p>	<p>This ex-FCA initiative becomes a reference for the new renovation of our logistic warehouses.</p>

Actions undertaken in collaboration with our contractors.

Actions and Levers used	Gains/results obtained	Company origin of the action and convergence maturity
<p>Make Parts Distribution Centers carbon neutral</p>		
<ul style="list-style-type: none"> Implementation of a tool for 3D visualization of the theoretical loading of trucks (Heavy Goods Vehicles) based on daily orders sent to suppliers. This tool was implemented for shipping containers. Pooling of flows between several suppliers, milk runs, regular optimization of the uplift frequency. 	<ul style="list-style-type: none"> For the full truckload transportation, the truck utilization is strongly monitored with the target to optimize it, using dedicated tools. The fill rate of the trucks arriving at the plants is measured and action plans are put in place if any anomalies are detected. The average cube utilization rate of sea containers being shipped for intercontinental flows is also monitored and now reaches more than 85% at Stellantis Global level The average fill rate of sea containers being shipped for intercontinental flows is also monitored and now reaches more than 80%. 	<p>At Stellantis level, the best practices are already identified and shared in business club in Enlarged Europe. This process will be extended to other regions in 2022.</p> <p>We are exploring the best tools from both companies to support our best practices.</p>
<p>Use of multimodal transport</p>		
<ul style="list-style-type: none"> Move to more environmentally friendly modes of transport (already high usage of rail transport and sea transport). 	<ul style="list-style-type: none"> Reduction in road traffic and corresponding pollution: a regular sea route service between Saint-Nazaire and Vigo (the so-called "sea motorway") is in operation. Thanks to this route, each truck reduces its mileage by 1,300 km, thus helping to ease congestion and reduce polluting emissions. Multimodal flows are used to transport components between Morocco and the Vigo plant in Spain, through a maritime shuttle between Tanger and Vigo. This mode of transport enables each truck to reduce its road journey by 950 km. Manufactured in Uruguay, the Citroën Jumpy and Peugeot Expert use components from the Sevel Nord plant, which are transported by river from the plant to the Port of Antwerp, instead of by lorry. 	<p>These initiatives come from the different approaches of the two former companies and are not exhaustive ones. They will be shared in the 2022 Stellantis regional roadmaps to deploy best practices.</p> <ul style="list-style-type: none"> ex-PSA ex-PSA ex-PSA

Actions and Levers used	Gains/results obtained	Company origin of the action and convergence maturity
Usage of alternative fuels		
<ul style="list-style-type: none"> Utilization of a low emissions fuels 	<ul style="list-style-type: none"> Low-emissions natural-gas powered trucks in our transport fleet operating in North America and Europe avoided approx. 2,700 tons of CO₂ 	<ul style="list-style-type: none"> Ex-FCA has its own fleet with 10% of low emission trucks ex-FCA
	<ul style="list-style-type: none"> Utilization of hybrid vessel in Grimaldi short sea line to our Italian plants leads to 10% CO₂ savings on this flow 	<ul style="list-style-type: none"> ex-FCA
Setting up Gigaliner lorry traffic flows		
<ul style="list-style-type: none"> Commissioning of a new type of truck, in line with new Spanish legislation 	<p>The Madrid and Vigo plants are using Gigaliner lorries (also known as mega trucks). They are 25m long and can transport more goods with a single trailer than in a standard semi-trailer, which saves 16% in CO₂-eq per ton transported</p>	<p>From an ex-PSA initiative in Europe, to be extended if allowed by local regulation on the use of mega trucks. It will be studied in the 2022 Stellantis regional roadmaps.</p>

2.7.3.3.2 Optimizing employee commute

Stellantis implemented a major action plan to anticipate intensive use of electric and plug-in hybrid electric vehicles by its employees. The ambition is to make employees electric vehicle ambassadors and that they adopt an exemplary, socially responsible approach. This plan supports the shift in usage and behavior related to electric vehicles.

This action plan triggers the modernization and the strong expansion of the infrastructures to prepare for the increased use of LEVs by Stellantis employees. It resulted in a significant increase in the number of electric charging points within the Company's facilities. By the end of 2021, 487 charging stations had already been installed at 17 sites in four countries.

This plan also includes an intensive training program, started in 2019, in the former FCA and PSA with the launch of the "e-Mobility Boulevard" and of the "Electric Quest", respectively. The trainings have been rolled out to support employees in

understanding the changes related to energy transition. A brand new training program was developed in 2021 and will be launched first quarter of 2022, at the global level, to spread the e-Mobility messages across the whole Stellantis population. The learning path will be delivered in four modules in all the regions, with the aim to support employees fully understanding the stakes of the energy transition, the Stellantis offer, its benefits and the ecosystem around electrified vehicles in order to be good ambassadors of electric vehicles. Participation in this program is expected to be significant since all the Stellantis employees will be involved.

Stellantis has also a car-sharing solution called Free2Move Fleet Sharing, also used for its employees. This mobility service is currently used by several companies, around 150 shared cars are present in the platform. Thanks to Free2Move Fleet Sharing, employees can book their vehicle between 48 hours and five minutes prior to departure.

2.7.4 DETAILED KEY PERFORMANCE INDICATORS

TCFD.Ma GRI 302-2 GRI 305-4

2.7.4.1 Supply chain operational emissions collected from CDP supply chain program in 2021

Number of supplier invited	249
Number of suppliers responded	208
Supplier Response Rate	84%
Average score	C

2.7.4.2 Summary of greenhouse gas emissions per type of shipment (scope: world, excluding JVs)

(CO₂-eq. emissions in tons)

2021		Former FCA		Former PSA	
TOTAL		1,658,462	100%	722,885	100%
Upstream transport	Road	619,54	82.5%	410,292	82.5%
	Air	6,694	0.9%	67,789	13.6%
	Rail	52,469	7.0%	0,732	0.1%
	Sea	72,199	9.6%	18,559	3.7%
	TOTAL	750,902	100%	497,372	100%
Downstream transport	Road	694,922	76.6%	170,851	75.8%
	Rail	116,762	12.9%	6,812	3.0%
	Sea	95,876	10.6%	47,849	21.2%
	TOTAL	907,560	100%	225,512	100%

This table presents two separate sets of data for ex-PSA and ex-FCA, measured using former methodologies that are different in assumptions and scopes.

Energy consumption is determined for each traffic flow and by mode of transport by using an emission factor corresponding to this energy (fuel). The scope for downstream distribution includes capillary flows to the dealers.

On ex-FCA side we use calculating emission factors by regions and means to multiply with weight and distance.

Exclusions: spare parts, air emissions except for Europe. Emission factor for North America just in CO₂ and not in CO₂-eq.

On ex-PSA we use the CO₂ emissions provided by GEFCO including spare parts and a few specific used cars flows.

GEFCO is aligned with the European Standard EN 16258 and the GHG protocol for accounting its carbon emissions and supported by EcoTransIT World to exchange data for each traffic flow and by mode of transport. This measurement is performed in CO₂-eq (thus including other greenhouse gases).

3

DRIVING THE COMPANY'S TRANSFORMATION THROUGH THE DEVELOPMENT OF HUMAN CAPITAL

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STELLANTIS' CSR MACRO-RISK/PILLAR II. DRIVING THE COMPANY TRANSFORMATION THROUGH THE DEVELOPMENT OF HUMAN CAPITAL

As an industrial and international company, Stellantis is the subject of high expectations from society regarding social protection and justice. Also, employees expect transparency of a forward-looking vision that includes their contribution to the future of the Company and how the Company will support the communities in which we operate and sell our products and services.

The automotive business and its workforce are being impacted by industrial, economic and environmental transformations. These changes require increased automation, digital transformation, implementation of new production and sales processes linked with new technologies, to design and offer new products and mobility services and address customers' new expectations. This shift will likely be more suited to address climate change and the demands for a more service-oriented business model.

**POWERED BY OUR DIVERSITY,
WE LEAD THE WAY THE WORLD MOVES.**



Based on our purpose and embracing our values, we are working to build an internal organization with local roots, capable of integrating these changes for a sustainable future.

By developing agility, we address the changing work modes and customer expectations and lead taking into account the transformations needed to operate throughout the energy transition.

We recognize that the diversity of our teams is a strength that enables us to seize new business opportunities. We aim to unleash the full potential of our talent, through the promotion of an inclusive environment where we value and respect one another.

We are cultivating performance, continuous improvement and permanent development with a high level of creativity and inspiration based on positive employee experiences. With meritocracy as a key rule, we recognize and reward success.

We are committed to promoting safety, health and well-being in our workplace and increasing motivation. By applying a flexible approach, including remote working where applicable, rethinking our workplaces and increasing the adoption of digital and collaborative tools, we aim to preserve employees' health, in particular if the COVID-19 crisis continues, improving their quality of life, as well as reducing the CO₂ emissions generated by the daily commuting and the real-estate footprint.

On the basis of a constructive and responsible social dialogue, we aim to lead the changes and unleash new expertise in technologies and services to offer competitive mobility solutions to our customers for a greater future.

3.1 MANAGEMENT OF COMPANY TRANSFORMATIONS AND SOCIAL DIALOGUE



3.1.1 CONTEXT AND STELLANTIS POSITION

CSR ISSUE/CHALLENGE #4: Management of Company transformations and social dialogue

GRI 102-43 | GRI 103-1

According to the [World Economic Forum](#) , the speed of digital/software transformation is such that businesses need to move quickly whereas previous technological revolutions, most notably the industrial revolution, played out over a relatively long period of time.

The changes brought by digital technologies, such as the Internet of Things, Big Data, Artificial Intelligence, etc., could be used to bring technical and societal solutions to climate change and customer expectations. The pace of technological change is exacerbating the challenge to offer a broad set of possibilities and business opportunities.

In this context, the major current and upcoming challenges are:

- the **protection of our environment**, which is leading the electrification of mobility;
- the **digitalization**, which fundamentally changes work processes and products;
- the **globalization**, which requires our competitiveness and performance.

These challenges have already required Stellantis to evolve its engineering and production processes, products and ways of working (such as the increase of the remote working). This approach is expected to continue and accelerate.

Stellantis must have a comprehensive strategy that includes a plan **upskill or reskill employees** to ensure a professional transition for them. The profound transformations instigated by societal and environmental demands, new customer expectations, the pandemic crisis and the unique opportunities connected with Stellantis are impactful.

Stellantis promotes and support to conduct constructive, trustful and responsible social dialogues with employee representatives at each level of the Company. In this way, management and employee representatives are able to tackle the major ongoing and upcoming challenges together and provide economic and social performance for a sustainable future.

A key element for success to guide transformations of the Stellantis business model is the maturity and quality of constructive social dialogue between the Company and its employees, including their representatives. We aspire to improve efficiency, flexibility, performance and continue to grow while protecting our workforce. To achieve this, we understand the need to implement regular communication, a co-construction approach while creating trust and transparency, allow using **Collective bargaining agreements** to find agile and responsible solutions that will permit the Company to care for the future, in line with the purpose and values of Stellantis. Stellantis embraces a long-term vision to foster social dialogue as a means to achieve strategic goals, Company transformation and competitiveness, engaging stakeholders to seek collective solutions to communal challenges in a responsible and engaging manner towards its employees.

The **shift to a Tech company** and the acceleration of the energy transition, are redefining the technology scope of the Company. In Stellantis the diverse competences and know-how from all around the world are a key asset to face these internal and external challenges and support our performance. Ensuring the best level of skills and jobs development is a pivotal part of this transformation. To master these new challenges Stellantis has developed, at the heart of its human resources ambition, a common way to manage competences and jobs, centered around **15 global job families created to identify and develop the appropriate know-how**. A job family consists of a set of common skills and jobs with the same business purpose. Each job family split in a specific set of activities called “professions”, requiring the mastery of skills, tools and standardized processes. A specific focus is on the skills that are strategic in supporting the **core-technology and business strategy** of the Company. Within this approach, a global employee collective expertise community, gathering senior fellows, fellows and senior specialists in specific areas of competencies (domains of expertise), is designed to strengthen the evolution of the highest level skills in the most technical and technological domains.

Stellantis aims to ensure its sustainability as well as that of its employees’ employment by drawing on operational excellence, performance and agility programs, in a “just

transition approach". The Company operates according to a strategy of responsible employment with an ambition to anticipate transformation demands for skills, and to boost employability of employees. Implementing a cross and world-wide roadmap of skills and jobs within the Job Family' strategy:

- will enable the Company to develop reskilling program adapting competencies to the energy transition and new technologies;
- will attract talents with a global approach covering all the Regions in the strategic technologies;
- will support the employees in identifying concrete inputs to strengthen skills as individual development plan and new opportunities within the Company.

This employment strategy is also shared with the employee representatives to strengthen its implementation and ensure full visibility towards all employees.

Company's public position

The automotive sector is going through a significant transformation, ranging from electrification to the integration of artificial intelligence in autonomous driving. **At Stellantis, we believe that social dialogue is key to the transformation taking place within the Company, supporting this change in a responsible way and engaging our workforce.** Our employee representatives are fully engaged and involved through dedicated meetings and strategic business reviews so as to protect the Company and its employees by managing the risks linked to market changes and regulation. By involving and sharing a clear vision of the current and upcoming situation, the employee representatives are involved in paving the way to a sustainable future.

3.1.2 FORWARD-LOOKING VISION AND TARGETS

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #4 Management of company transformations and social dialogue Owners Chief Human Resources and Transformation Officer >>>	Implement co-construction with trustful and transparent social dialogue with employee representatives and stakeholders to continuously develop and prepare the Company for future challenges	% of countries covered by collective agreements	2024: 90%	2030: 95%	2040: 100%	86%

3.1.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 GRI 103-2

The profound transformation of the automotive industry induced by the energy transition, digital innovation and societal expectations is creating a strong demand for attention and protection by employees and stakeholders potentially impacted. In this context, social dialogue and workforce strategy are essential to prevent social risks, anticipate transitions, seek remedial solutions and to improve the Company's reputation towards internal as well as external stakeholders. **We strive to make the Company a place that protects employees and their future and ensures high standards of decent work, respect for individual rights and social progress.**

We believe that social dialogue can support economic development by providing an enabling environment for sustainable enterprise development. The trust-based relationships created by social dialogue reduce the risk of social conflict and create the stability necessary to ensure continued production and investment. They are a **basis for the competitiveness and sustainable success** of our Company.

Corporate Social Governance (CSR) or Environmental, social and corporate governance (ESG) stands out as a differentiating factor for our Company. More than a voluntary process and a legal obligation, **ESG is a powerful lever for engagement** among our employees. What's more, ESG becomes a concrete path for **promoting the purpose and values** of Stellantis among employees. The current health crisis underlines the importance of Stellantis work so far to build a more sustainable and resilient company. The unprecedented COVID-19 situation that we have been going through for more than one year also offers an unprecedented opportunity to construct a **more inclusive and diversified company**.

Social relations and workforce management are one of the key success factors for involving and engaging the employees in an ESG process.

Against this background, risks and opportunities were identified.

3.1.3.1 Risks

- Regulations and industry are creating unprecedented requirements for specialized talent, for example related to CO₂ and Cybersecurity;

- operational risks:
 - lack of availability of specialized skills, skills assessment and inventory;
 - lack of attractiveness and swift at enriching the Company with new competences needed for the coming challenges;
 - decisions to conclude the working relationship with employees that are not aligned with the market-led and regulatory transformations of the Company, can cause social issues (e.g., social demonstrations, complaints provided by employee representatives);
 - not having the support from social partners, the speed of transformations could be hampered, which is key to lead the way the world moves.

Threat to our reputation in the event of strikes, social movements, dismissals, legal actions, employee dissatisfaction, etc. as a result not achieving the changing needs of the operational merger implementation and synergies execution. (e.g. department definition and boundaries).

3.1.3.2 Opportunities

- **Availability of skills and competencies:**
 - making best use of the existing Human Capital with a strong skills background and recruit in game-changing new fields.
- **Diversity of skills, engine to power the transformations:**
 - Contribute to the global distribution of competencies, with the new way of working (New Era of Agility), by having the right skills at the right time and place to support the business strategies of the Company.
- **Innovative social dialogue:**
 - co-construction through innovative Collective Bargaining Agreement;
 - reassuring on the Company's ability to manage transformation through social dialogue in order to facilitate its relationships with unions and public authorities.
- **Implementation of our purposes** "winning together" and "caring for the futures", both for the employees and the Company.
- The highly competitive, committed and well-balanced team from the merger leverages its **combined skills and diverse backgrounds** to guide Stellantis to become a great Company.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



Our electrification process relies on a strong inclusive strategy, among others battery repair and reuse. It will create workforce opportunities for our five gigafactories managed through dedicated Joint Ventures, 21 e-repair centers, and a battery expertise center in Rüsselsheim, Germany. These new opportunities will be used to ensure the workforce transition from Internal Combustion Engine vehicles (ICE) to Electric Vehicles (EVs). Stellantis is supporting this workforce transition by training and offering skill enhancement to employees to assist them with their chosen professional paths internally or externally.

Being transparent about the impact of the electrification transition with our workforce is key to our continuing transformation. Stellantis integrates the electrification impact and strategy in the meeting agendas of international social dialogue bodies and local representative bodies. The purpose is to share the analysis of various scenarios of technology development including the fuel mix shift and managing the impact on engine and gearbox manufacturing activities. Sharing the electrification strategy with the social partners strengthens workforce understanding and the acceptance of the Company's transformations related to the energy transition. Several local collective agreements supporting the performance and the transition were signed in 2021. The objective is to ensure a responsible transition, including employee well-being policy, which protects the Company and employees in a sustainable way.

Vehicle electrification is vital to keep the pace with evolving regulatory requirements, including recent announcements from some countries on bans for internal combustion engine vehicles and the climate change. On July 8 2021, Stellantis disclosed the intensification of electrification with clear paths, investments and programs. Under this context, the labor relationship and workforce are impacted and for that reason Stellantis will anticipate through the following actions:

- dialogue with employees and with employee representative institutions to communicate, support and anticipate the transformation;
- create conditions for employees to develop competencies;
- anticipate the needs of skills to fulfil the operational objectives;
- reskill employees to fit with the emerging skill technologies;
- manage both the industrial footprint and acquiring of new technologies.

3.1.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 102-41 | GRI 103-2 | GRI 402-1 | GRI 407-1 | GRI 413-1

Stellantis has adopted a global operating model, with responsibilities at both local and corporate level. In this way, local needs are taken into account, while at the same time consistent and cohesive actions are taken.

For human resources and labor relations at Stellantis, the Chief Human Resources and Transformation Officer sets and enforces a global strategy. The Stellantis Social Relation strategy is approved by the Top Executive team. For more information, [see section 3.1.5](#)

The Chief Human Resources and Transformation Officer is involved in strategic decisions in order to take the human factor into account. This is a necessary condition to establish a quality and proactive social dialogue.

By finding the **right balance between corporate and local**, the global operating model supports further integration of diversity in the Company. Local collective agreements are led by the regions and/or countries which take the global Company policies into account and reflect local particularities. To get a global social overview, a social climate monitoring was implemented in each region/country with the objective to give insight's, create a better common understanding and allows forecasting on a corporate level and define further action plan if needed. **Each month, representatives from about 30 countries participate to a poll and share about working rhythm and atmosphere, manufacturing and sales activities, Unions activities and local policies.** These criteria enable sharing the state of the social climate from within the workforce to allow for actionable planning and preparedness. Global guidance is given at the corporate level on the Company strategy, Purposes and Values, Diversity and Inclusion strategy, etc. and regional specificities are integrated in local agreements.

Co-construction is the approach promoted by the Company to build a responsible relationship based on trust and transparency and aimed at reconciling economic and social performance by implementing the most appropriate and pragmatic solutions. With this objective in mind, an active dialogue has been maintained in 2021 with the various **employee representation bodies existing at national or transnational level**, notably in Europe through the European Works Councils of PSA, Fiat and Opel-Vauxhall or in North Americas UAW (US union) or Unifor (Canadian union) whose mandates are respected. Plus we conduct global events to share communications and strategies when appropriate prior to releasing the information, such as the preview of

the presentation of the Stellantis purpose and values. Goals are monitored and assessed on an ongoing basis, Stellantis has implemented a structured system involving local general management, HR management and employee representatives.

The Chief Human Resources and Transformation Officer is responsible for the oversight of the **Freedom of Association and the Right to Collective Bargaining**. He is a member of the Strategy Council and the owner of the strategic ESG issue/ challenge “Management of company transformations and social dialogue”.

The approach of co-construction through social dialogue is held as a competitive advantage for the Company in a more and more demanding environment. The notice period provided to employees and their elected representatives regarding significant operational changes is regulated either by local legislation or through collective bargaining agreement. The company fully complies with both legislation and Collective Bargaining Agreements. Stellantis promotes and implements exchange with social partners regarding any significant operational changes to find the most appropriate way out in a responsible manner.

As part of this policy the Freedom of Association is respected, protects and promotes the fundamental labor rights of their employees namely, and the right to collective bargaining.

- **Freedom of Association:** free exercise of the right to organize the efficiency of this organization is represented by 91.5% of employees who are represented by trade unions or employee representatives - We endorse, among other declarations, the United Nations (“UN”) declaration on human rights and the International Labor Organization declaration on fundamental principles and rights at work.
- **87% of the workforce are covered by collective agreement.**

Employees Covered by a Collective Bargaining Agreement¹

(Stellantis worldwide)

2021	Number of employees covered	% of employees covered
Blue collars	182,173	97%
White collars	58,952	65%
Total	241,125	87%

¹Country with more than 150 employees

The Company aims to have relevant employee representatives bodies at all levels (Global, Regional, Local) enabling to share implementation of the Company’s strategic plan across all regions and to conduct an efficient dialogue with employee representatives.

As well as social dialogue, the Job Family and skills strategy have been implemented and lead by the Chief Human Resources and Transformation Officer to ensure a transversal skills and job management.

The Job Family approach provides a worldwide and cross-functional jobs and skills foundation for Stellantis, which is fully integrated with talent management and learning policies. This foundation of jobs and skills is based on internal and external data. Through Human Resources analytics facilitation, job roles and required skills are customized and finally validated by a Job Family and Human Resources stakeholders network.

As described above a job family consists of a set of common skills and jobs with the same business purpose. **Each job family split in a specific set of activities called “professions”, requiring the mastery of skills, tools and standardized processes.** All employees are assigned to a profession and a Job Family allowing a job and skills driven mapping, cross-functional to the organization.

As a key asset of the Job Family approach is the set up of a **global employee collective expertise community**, gathering senior fellows, fellows and senior specialists in specific areas of competencies (domains of expertise), designed to strengthen the evolution of the highest level skills in the most technical and technological domains.

This Community, managed together with the Chief Technology Officer, has the aim of:

- concretely act for strengthening the best technical know how in the Company, ensuring the proper development of the most technical domains;
- being the point of reference for supporting our Company performance, becoming the “go-to person” to find the most efficient and innovative solutions;
- developing the ability in forecasting changes to secure sustainability for the business;
- building a world-wide expertise network, powered by Stellantis diversity, with an inclusive environment in which providing value to the whole innovative ideas and know how.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



From the very beginning of the creation of Stellantis, the electrification strategy is a highly relevant topic shared with the social partners to share the challenges and the consequence of the energy transition with the willingness to have a common understanding and the construction of the path to achieve this challenging transition.

Regarding the skills management, the anticipation of future needs is a critical element. The Job Family approach and expertise network is an answer to manage the required operations and ensure a leadership position within the automotive industry.

Furthermore a budget has been allocated to retrain or reskill people who used to have jobs no longer pursued.

Example: Dedicated negotiation to ensure an efficient transition for employees between Stellantis and Automotive Cells Company (ACC). ACC is dedicated to the manufacture of batteries for electric vehicles in Europe.

A qualification concept for all employees working in battery-cell and -module production will be developed and deployed.

3.1.5 POLICIES TO EXECUTE THE STRATEGY

SASB-310a.2

GRI 102-41

GRI 103-2

Stellantis social relations strategy is based on six commitments:

- Stellantis upholds the United Nations declaration on human rights and supports decent work and a more equitable work environment;
- Stellantis is committed to complying with all applicable labor laws and regulations and aims to apply best practices in human resources management;
- Stellantis bases social dialogue on relationships with independent labor unions and employee representatives and seeks workplace cooperation;

- Stellantis is engaged in collective bargaining agreement to find pragmatic, inclusive and protective agreements;
- Stellantis fosters social dialogue by managers in the field on a daily basis;
- Stellantis monitors social indicators in all subsidiaries and globally discloses in a transparent manner to its stakeholders.

Stellantis is committed to enacting a high-quality collective agreements strategy, based on a sound understanding of the Company, seeking out innovative solutions and demonstrating a capacity to reconcile the Company's economic and social challenges. **In 2021, 467 collective agreements were signed worldwide and 97% of Company blue-collar workers are covered by a collective bargaining agreement at sectoral and/or Company level.** Stellantis adopts an open approach to communicate with employees in countries where there is not an obligation for trade union implementation. As an example, in China, the mechanism of Voice of Employees (VOE) has been set up to work as a proactive bridge between employees and management. VOE representatives are consulted by the management over all important employee-related policy matters. VOE representatives communicate to China employees about Stellantis strategies and latest news and disclosures. What's more, they contribute to enhance both employees and company mutual development. It represents an efficient channel of constructive communication and helps implementing major action plans in the Region.

This employee relations strategy is in force at our Company sites. It is an important component for Stellantis aims to anticipate and support the Company's transitions by incorporating the human dimension, consequently helping to create a harmonious labor environment. No major strikes took place within Stellantis in 2021 according to the definition of SASB-310a.2. In total 13 strike events occurred corresponding to 13 days focused on two locations (Kragujevac (Serbia) 12 events for 12 days and Kenitra (Morocco) 1 event for 1 day). Stellantis has implementing a proactive process through an active dialog with the social partner to prevent strike or social demonstration. Additionally, in Serbia there are ongoing discussion between employee representative, management, labor minister with a mediator support. And in Kenitra an agreement was signed with employee representatives with regard to bank of hours payment.

Stellantis has a strong commitment to fundamental human rights, based both on the principles formulated in the “**PSA Global Framework Agreement on Social Responsibility**” (GFA) and in the “**FCA human rights guidelines**”. In 2021, the Company continued strongly to exercise vigilance in this area within its various activities and subsidiaries, by carrying out internal audits and monitoring the application of the GFA. In addition, we have begun working to define a merged framework of human rights principles and tools for their adoption and control. **Stellantis promotes the respect of human rights in every host country.** The policy aims at addressing and resolving issues also with regard to subsidiaries which are part of the Company’s duty of vigilance. The Guidelines for Suppliers and Stellantis Human Rights Policy are consistent with the spirit and intent of the United Nations Universal Declaration of Human Rights, the United Nations Sustainable Development Goals, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Companies, the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO), the United Nations Guiding Principles on Business and Human Rights and the Modern Slavery Act 2015. As **supporter of the UN Global Compact and the ILO Principles**, Stellantis embarks environmental and societal impacts in all its decision-making processes in a 360-degree approach.

Stellantis on Social Responsibility has the willingness to formalize the Company’s commitments to its stakeholders in a detailed and public manner and shares its social requirements with suppliers, subcontractors, industrial partners and dealer networks. **Stellantis goes beyond simply complying with local and national standards and to work within a recognized framework for fundamental human rights.**

3.1.6 ORGANIZATION AND RESOURCES

GRI 103-2

As part of the Human Resources and Transformation division, a dedicated department to the workforce and labor relations has been created at corporate level to lead and coordinate the Employment and Social relations strategy for Stellantis. A similar organization structure has been implemented at regional level to increase coordination and efficiency.

The main resources involved in this labor relation strategy are:

- training hours to the managers including dedicated to the Code of Conduct and Human Rights;
- time given to employee representatives as part of their mission;
- time for negotiation with the social partners.

Outcomes in return are valuable:

- helps manage disruption and preserve employment;
- supports productivity and performance;
- supports fairness and adherence;
- conflict prevention or resolution;
- enhances employee engagement and social cohesion.

Regarding the management of the skills Stellantis has implemented a Job Families strategy.

Against this background, specific roles for the Job Families allow a robust governance and deliverables as described above.

Strategic skills management:

- Mapping of strategic skills that support the core-technology and business strategy of the Group;
- Steering of needs ramp up workforce and training. Monitoring of the footprint;
- Monitoring of replacement plans.

Job mapping/catalog:

- Optimum job mapping structured by Job Family and Professions with common grading for "manager" level;
- Jobs for Staff and Workers assigned to Professions;
- Managed with Grading corporate HR.

Technical skills:

- Shared library of technical skills;
- Technical skills assessment integrated into the talent management process;
- Skills sets predefined by job clusters (facilitated by AI tools);
- Upskilling steering;
- Link with the learning offer and technical training content with training academies.

Expertise network:

- A worldwide senior technical specialist, fellow and senior fellow network;
- Structured around competency domains defined by need (Job Families);
- Mission and deliverables expected increasing by level;
- Dedicated technical career path to attract internal and external talents.

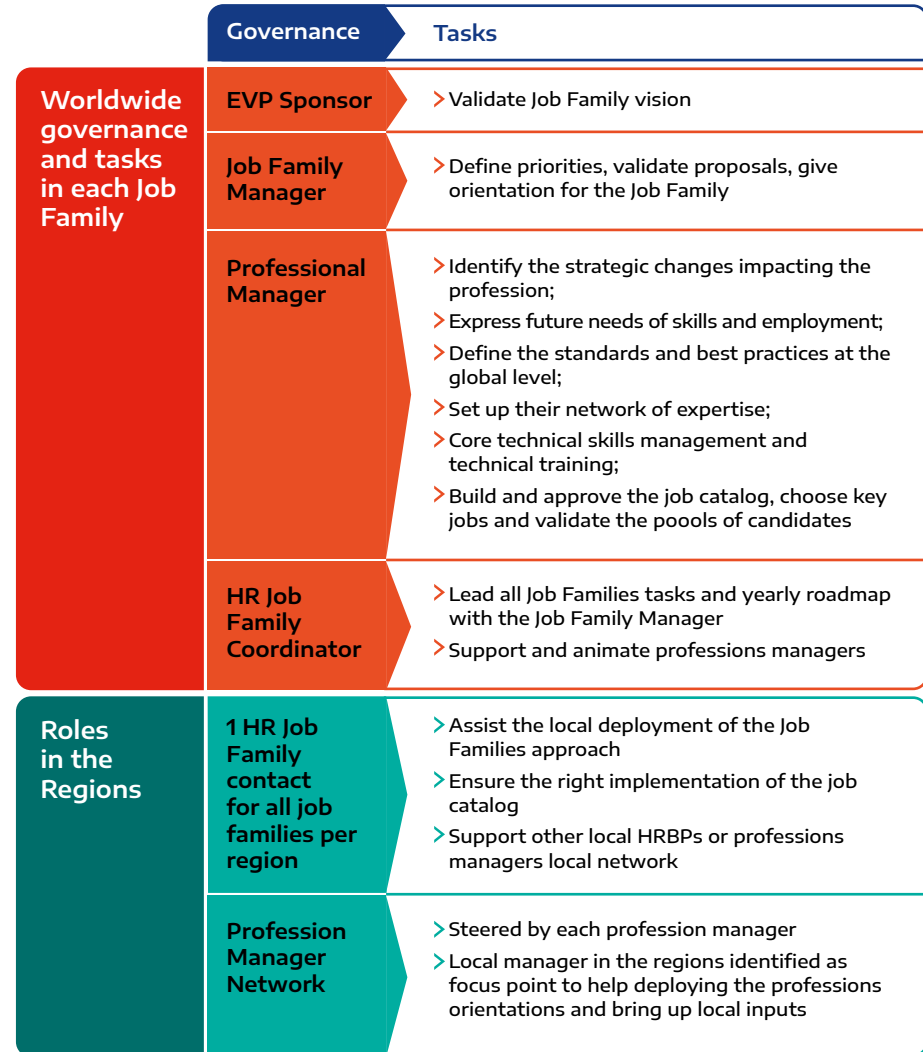
Key jobs and typical career paths:

- Key jobs for Stellantis are identified and characterized by the Job Families to ensure its cross-functional steering;
- Examples of typical career path are provided for key jobs.

Future needs: skills and jobs

- Major trends of skills and job changes identified by the Job Families as a worldwide approach to anticipate changes and bring guidance on the main upskilling and reskilling challenges;
- With a self-learning approach, the most agile learners can self-assess their skills and capabilities, access learning resources and opportunities and track their achievements. Through this, new capabilities needed for projects, assignments or roles can be acquired fast and tracked easily.

JOB FAMILIES GOVERNANCE



To ensure the deployment of the Job Families strategy a proper governance is set up with key stakeholders:

- the sponsor who validate the vision, the Job family manager who provide orientation to this vision defining priorities and validating proposals;
- the profession managers who identify and build the concrete proposals related to main processes; and
- the HR job family who coordinate and support the whole processes. To reflect Stellantis matrix organization specific local contacts in the regions are steered by the stakeholders.

Stellantis strives to have in each industrial site its own site project aimed at sustainable performance, supported by a collective performance agreement co-constructed with the social partners. The projects are planned, reported and shared with all sites and social partners.

COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



Our software strategy is supported by a dedicated Software Division to operate the shift to become a sustainable mobility tech company.

Stellantis intends to create a software and data academy to retrain more than 1,000 internal engineers in multiple roles and develop its software community. The Company has a plan to hire top software and AI talent from technology and other industries globally.

By 2024, Stellantis targets having 4,500 efficiency-driven software engineers, creating talent hubs around the globe. Those engineers are expected to help achieve the execution of Stellantis' software ambitions.

3.1.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 102-8 | GRI 103-3 | GRI 401-1 | GRI 407-1 | GRI 419-1

One initiative that makes it easier for the Company to comply with Human Rights as well as its Diversity and Inclusion commitments and Well-being, Health and Safety policy is the **Stellantis Integrity Helpline**. Stellantis worked with two very similar whistleblowing systems from former Groupe PSA and FCA, which have been merged into one in November 2021. **The Whistleblowing system ensures that any violation of Stellantis compliance rules can be reported and received securely and confidentially and processed and managed properly.** This system is open to employees, suppliers and other stakeholders (for more information, [see section 5.1.4.1](#) >). The Company expects that all persons in the workplace will be treated with dignity, their rights respected and their privacy maintained. One category of reporting addresses the violation of fundamental Human Rights. Our whistleblowers are briefed on following examples of cases that can be reported: discrimination, harassment, racism, sexism, xenophobia and homophobia; disrespectful behavior and sexual harassment; lack of respect for private life; threat, violence or infliction of injuries or other physical or psychological harm to a person; unequal treatment due to gender, religion, ethnicity or beliefs; breach of human rights such as forced labor, child labor, restriction of the freedom of association, illicit employment, working hours violations; violations of occupational health and safety regulations and lack of employee protection.

Each report triggers an internal investigation. The investigations are conducted with neutrality and respect in order to check and verify the facts. These behaviors are liable to disciplinary measures that have been set in every country to prevent any form of misconduct. Reports may be made anonymously unless local law provides otherwise. These systems allow vigilance over the Company's "impacts" on its stakeholders. Thus, in 2021, 1,077 issues have been reported via the Stellantis Integrity Helpline. All cases are investigated via the Company's disciplinary and grievance procedure. **An investigation is carried out systematically with actions taken on the basis of the conclusions.**

All employee representatives can exercise vigilance and can report non-compliance, and their opinion is regularly solicited on the application of the agreement's commitments. Stellantis is committed to handling claims and complaints that are raised and ensuring due diligence with suppliers in the supply chain (for more information, [see section 7.1.5](#) >).

Company transformation

Since the merge of PSA and FCA at the very beginning of 2021, Stellantis started dialogues with employee representatives and promotes both contractual and constructive approach. The Company operates according to a policy of responsible and sustainable employment, and it aims to anticipate transformations and reinforce employees' employability by offering different paths such as reskilling and upskilling programs to safeguard careers. The implementation of the Job Families mapping for Stellantis facilitates the needs identification for the core skills required for the professions and the business but also to anticipate and monitor the mapping of people and skills over the strategic activities related to electrification, autonomous driving, artificial intelligence and data, robotics and automation, etc.

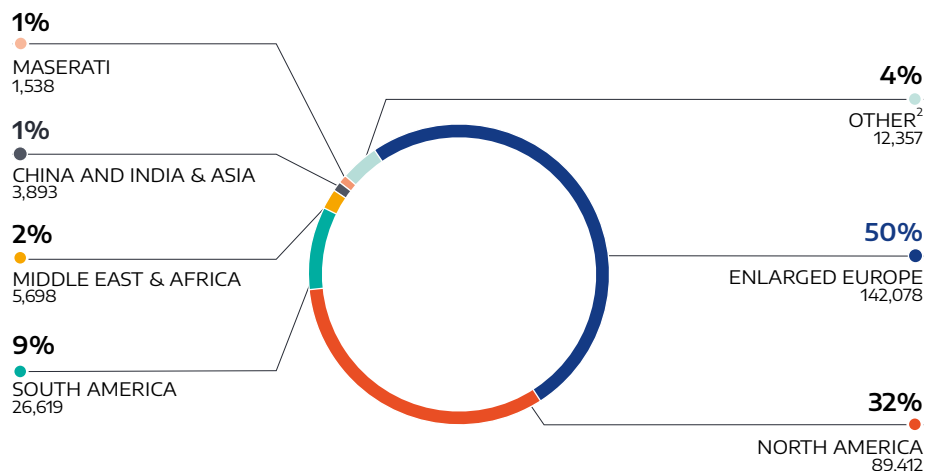
An example of a training project in the manufacturing perimeter related to strategic skills for the Industrial Handling and Automation profession: "Digital Twin".

This project is carried out in partnership with a provider in this technical field and with the "Plateforme Française de l'Automobile" (PFA), Center of the Automotive Industry in France. The deliverable is a world first in this sector: a virtual platform used for training in plants. This new way of learning is powerful, as it allows to see, to understand and learn in many different use cases (faults simulation, identification, analysis, diagnosis, how to restart a cycle,...), without having to use or disturb the real production facilities. In 2021, after successful use tests, all French maintenance people and PSP (Production System Pilots) in a first plant have been trained. The solution adapts to different types of installations and can therefore be deployed in other plants.

WORKFORCE DESCRIPTION¹

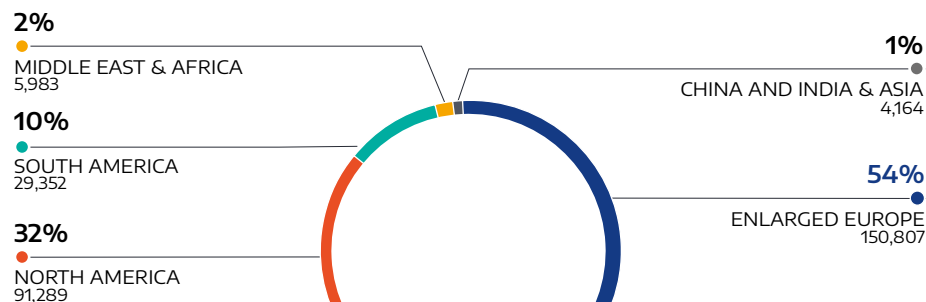
Workforce distribution by reportable segment

2021 (% and number of employees)



Workforce distribution by geographic area

2021 (% and number of employees)



¹ Includes 2,101 employees representing 0.7 percent of the total headcount, even if they belong to legal entities that are not managed within the HR consolidation tool that are not considered in other workforce KPIs.

² All outside Automotive division

Organization of working hours

In every host country, working hours are equal to or less than the legal work week or industry practices.

Stellantis has implemented flexible working hours initiatives, also known as banks of hours, in most countries with industrial or logistics facilities. As such, working hours are determined on an annual or multi-year basis in these countries. In 2021, overtime accounted for 5.99% of hours worked in the Company.

Recruitment

Targeted recruitment processes are deployed within the Company worldwide to support the onboarding and integration of new talents. Stellantis aims to recruit diverse talent, including more female employees, based on a recruitment policy developing attractiveness and equal treatment, and has been hiring actively worldwide, with **34,571¹ hiring and almost 4,462 apprenticeship hiring**. This hiring is happening across functions (Engineering, Industrial, Sales/Marketing, Purchasing, IT, Digital, etc.) for sites that are experiencing an increase in business. It encompasses both junior positions and more senior positions in all employee categories: engineers, technicians, operators and other competences for the transformation of the Company.



¹Data validated with a 1% margin of error, due to ongoing consolidation of information systems. (Fixed-term and Permanent)

3.1.8 DETAILED KEY PERFORMANCE INDICATORS

GRI 103-3 GRI 401-1

3.1.8.1 Hiring over the year by age, gender and type of contract

(number of employees)

2021	Blue collars		White collars		Total		Total
	Women	Men	Women	Men	Women	Men	
Up to 30 yo	5,101	12,259	1,045	2,001	6,146	14,260	20,406
30-50yo	3,760	6,632	641	1,707	4,401	8,339	12,740
Over 50 yo	382	676	79	288	461	964	1,425
Total	9,243	19,567	1,765	3,996	11,008	23,563	34,571
%	Women (%)	Men (%)	Women (%)	Men (%)	Women (%)	Men (%)	100%
	32%	68%	31%	69%	32%	68%	

3.1.8.2 Leavers by gender and age

(number of employees)

2021	Up to 30 years old	31 to 50 years old	Over 50 years old	Total number of leavers by gender	% of leavers by gender
Women	5,031	4,864	1,955	11,850	26%
Men	12,787	11,777	9,264	33,828	74%
Total of leavers by age	17,818	16,641	11,219		
% of leavers	39%	36%	25%		

Leavers on permanent contract during the reporting year

27,926

Turnover rate excluding voluntary departures

7.4%

3.1.8.3 Leavers by gender and type of leaves

(number and % of employees)

2021	Number of resignation	Number of dismissals	Number of redundancies and transfers of undertakings	Number of other departures	Total of leavers by gender	% of leavers by gender
Women	2,577	4,143	605	4,525	11,850	26%
Men	8,377	11,793	2,817	10,841	33,828	74%
Total of leavers by type of leaves	10,954	15,936	3,422	15,366		
% of leavers by type of leaves	24%	37%	7%	32%		

3.1.8.4 Length of service - permanent contract employees

2021	Up to 5 years	6 to 10 years	11 to 20 years	21 to 30 years	Over 30 years	Total
Number of employees	59,380	45,997	54,344	64,408	34,589	258,718

3.1.8.5 Temporary workers by geographic area and gender

(number of employees)

2021	Women	Men	Total
Enlarged Europe	410	1,940	2,350
North America	-	-	-
South America	5	85	90
Middle East & Africa	-	-	-
China and India & Asia Pacific	-	-	-
Total	415	2,025	2,440

3.1.8.6 Social Dialogue Bodies by country

(2021)

Country	Number of work council or employee body	Country	Number of work council or employee body
Algeria	2	Malaysia	1
Argentina	2	Mexico	7
Austria	8	Morocco	4
Belgium	4	Netherlands	2
Brazil	9	Poland	4
Canada	14	Portugal	3
France	46	Russia	1
Germany	15	Serbia	1
Hungary	1	Slovakia	2
India	2	Spain	16
Italy	65	United Kingdom	42
		United States	39
Total			290

3.1.8.7 Employees Unionized by category

(North America)

2021	Number of employees unionized	% of employees unionized
Blue collars	68,968	99%
White collars	3,002	15%

3.2 ATTRACTING AND DEVELOPING ALL TALENT



3.2.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

Talent management takes center stage in Stellantis Human Resources activity and practice. In order to face ongoing societal, environmental, technological, and industrial changes, we are focusing on evolving our talent practices to further enable us to ensure we can drive the transformation of our Company. We are utilizing the international footprint of Stellantis and the diversity of talent it provides to refine our talent management activities to cultivate the skills and capabilities necessary for continued success in an agile and effective way. We are continuing to build on our performance through talent processes and practices that unleash the potential of our workforce. Through our performance, continuous improvement, and permanent development, we attract and retain talent with the capabilities required for our success. **To further engage and motivate our team, meritocracy is at the center of our strategy and we recognize and reward success.**

The merger of PSA and FCA required the coordination of both learning strategies. By organizing workshops with representatives of the learning community, Stellantis redefined its path by taking the best from each company. Most of the new programs, including the global tenders, are the result of this process Stellantis learning strategy is in line with the global operating model, taking into account local needs, while at the same time measures are consistent and cohesive.

Company's public position

The Company considers talent management to be a key element in its human resources strategy. Indeed, employees are the asset that will lead the transformational change that it is underway in the auto industry. In order to remain one of the leading companies in the sector, **at Stellantis we strive to provide opportunities for our people to grow professionally, helping in the retention of skills and the development of talented and engaged teams.**

Stellantis has set up governance for its Job Families and professions to protect its know-how and expertise and develop its talents across the Company supporting performance as a basis for equality of opportunity.

In addition, the Company collaborates with academic and scientific research institutions. Stellantis believes that these partnerships are crucial to contribute to the development of next generation skills and the empowerment of talented people who will lead the automotive industry in the next decades.

3.2.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #5 Attracting and developing all talents Owners Chief Human Resources and Transformation Officer >>>	Recruit and empower talents, by increasing a 'learning enterprise culture' and developing strategic skills, with the right talents in the key roles to create a highly committed workforce and seize new businesses.	Access rate to training (=No. of employees trained/total number of employees)	2024: 95%	2030: 100%	2040: 100%	72%
		% of technical engineering reskill/upskilling	2024: 10%	2030: 30%	2040: 50%.	5%

3.2.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

Considering the transformation of the automotive industry that is currently under way, attracting and retaining talent within the Stellantis organization is of high importance.

3.2.3.1 Risks

The automotive industry transformation requires the utmost attention and working to mitigate the following risks:

- **Risk of underperformance:**

The transformation of the industry along with many other factors, has created talent challenges that must be accounted for and mitigated in order to avoid increasing the risk of underperformance.

- **Risks linked with the tight labor market that is persistent in many markets around the world:**

In these markets, specific skill sets and the most talent people have many more options for employment so action is needed to make Stellantis stands out as an employer of choice. A mix of international career opportunity and competitive rewards combined with the excitement and passion that the Stellantis brands inspire in people supports the attraction and retention of talent.

■ **Risks related to a weak employer brand recognition:**

We will strengthen communication about our employer brand to rapidly connect "Stellantis" name with all Brands in the labor market. Specific marketing actions/campaigns with the brands will be launched and all existing brand career pages will be directed to the new Global Stellantis career page. Our New Global Employer Value Proposition - a summary of why people should join and stay with Stellantis - will be communicated in the Social networks through an highly recognizable editorial line to progressively educate the market on what makes Stellantis a work place of choice.

■ **Undesirable attrition could lead to reduced productivity or lost knowledge and skills if mitigating activities are not in place:**

Due to such important change required to strengthen the organization of Stellantis, some level of attrition is expected. The risk that it could lead to reduced productivity or lost knowledge and skills is monitored and actions are taken to mitigate this risk. Succession planning activities are in place for critical roles that support business continuity. The Job Family approach and the assessment of the identified strategic skills supports the identification if increased risk cause by a shortage of knowledge or skills. This information is used to identify specific development and retention activities that prevent the loss of these critical skills.

■ **Risk of not having the right skills in the right places at the right time:**

With the opportunity to expand the skills of our workforce in the face of industry changes comes the need to evaluate the skills our current employees and develop plans to continue their employability with Stellantis. This reskilling requires significant effort and planning and if not done properly could present the risk of not having the right skills in the right places at the right time. Through the Job Family approach, strategic skills management and the various function academies, regular reviews and actions are taken to ensure the skills of the future are being cultivated.

3.2.3.2 Opportunities

Many opportunities exist that can be seized to further increase the attractiveness of Stellantis. Stellantis has already capitalized in many ways on these opportunities and will continue to do so. In 2021 34,571¹ new employees were hired which demonstrated how attractive Stellantis is as an employer (see also 3.1.8 >).

¹Data validated with a 1% margin of error, due to ongoing consolidation of information systems. (Fixed-term and Permanent)

■ **A unique opportunity for talent to work with Stellantis, become exposed to, or work within a wide variety of cultures, thanks to a workforce composed of 170 nationalities**

This opportunity for exposure to other cultures is an asset that is regularly used to help our employees learn, grow and develop. Through cross cultural teams, global projects, development programs, and specific international assignments, many employees at Stellantis can and do have an impact well beyond their geographical location. 23 Strategic Task Teams and Cross Functional teams have been created that focus on 23 core areas of importance at Stellantis that regularly provide updates to the Top Executive team. Not only are these teams paving the way for future success, but they are driving engagement and retention by providing the opportunity for talent to make an impact and continue to grow. Countless other project teams have formed, carried out their stated objectives and concluded as part of our integration, all of which providing employees with opportunities for cross cultural and cross functional development. Coupled with the New Era of Agility, remote working and the increasing capability of employees to collaborate from a distance, now, more than ever, are our employees able to seek to better understand the world around them.

■ **An opportunity to evaluate all of the talent practices from the past and use lessons learned to define our future**

Thanks to creation of Stellantis, many activities have begun and work teams have been formed to define the future practices and processes of the Company. The framework for all future Stellantis talent practices have been defined and are in the process of being launched. The experience and development of the employee is at the core of these practices and processes, with the focus on creating an engaging, inclusive and supportive culture. This environment will empower the career development of our employees while supporting the performance of the Company.

■ **An opportunity to define leadership models**

Building on the strengths of our collective pasts while identifying and driving what will be necessary for future success, we defined Stellantis Leadership Models, adapted to local and regional specificities and rolled out to every employee that is used as foundation of everything that we do. These Leadership Models, based on our noble purpose and the core values of Stellantis, is at the heart of our company, setting expectations on how each employee is to behave and be held accountable.

- **An opportunity to re-evaluate and refine our workforce to define our future and ensure the ability to deliver future performance**

The fundamental transformation of the industry, coupled with the creation of Stellantis also provides an opportunity to re-evaluate and refine our workforce to ensure the ability to deliver future performance. The establishment of a new Stellantis approach to Job Families and Professions, the mechanism used to define roles and the required skills to be successful in those roles, based on best practice from legacy activities, has provided the opportunity to rebuild the job content and skills requirements of the areas of the organization most impacted by technology. Through this refinement, the latest and future needs have been taken into account, which will further enable the effective development of the Stellantis workforce.

- **Largest opportunities to accelerate change and drive performance**

The increased diversity of Stellantis brings together viewpoints and experiences from different perspectives that are working together to challenge how things were done in the past. The transformation of the industry and the strategy of Stellantis is also leading to the integration of new technologies and business areas which is only increasing our diversity. The rapid growth and expansion of the electrification of the industry is creating a fundamental shift in large parts of the organization which will require new types of talent. **Additionally, the increased focus on software and the creation of a software organization of 4,500 employees by 2024.** Their mission is to develop new platforms and businesses that will propel future success.

- **Opportunity to create talent challenges that must be accounted for and mitigated in order to avoid increasing the risk of underperformance**

Not only has there been a significant shift in the skills needed for success in many areas of the Company, but roles and the required skills for those roles is evolving. The ability to adapt to current skill needs and plan for the skill needs of the future is a significant challenge that is a point of focus within Stellantis. The Job Family team of Human Resource professionals and functional subject matter experts within Stellantis is tasked with the monitoring and evolution of the roles and skills needed within the organization. This team works directly with the Leadership Development team as well as functional learning academies to identify skills gaps through assessment that occur every year and carry out corrective action to close those gaps. This is done on both a reactive and proactive basis to support the continuity of operations.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



The transition to electric vehicles (EVs) impacts workforce skills: some employees need to update and adapt their skills to work on electrified powertrains, while electrification is also expected to create workforce needs in the Stellantis' already planned five gigafactories, twenty-one e-repair centers, and battery expertise center.

On those grounds, the electrification strategy is shared with the social partners and a regular follow-up is done in transparency, including as far as action plans to retrain employees are concerned. Stellantis is working to anticipate transformation demands for skills and to boost workers' employability through training courses.

This is part of a strategic orientation for investment aiming at supporting the industrial transition of existing facilities so that they are able to produce LEV components according to a vertical integration model (for more information, see section 2.5.3.2.2). To strengthen Stellantis' competitiveness, the business decision was taken to develop in-house assets and expertise.

3.2.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

Convergence on the future Stellantis talent practices have begun in 2021 in key areas such as the establishment of the combined organizational structures and succession planning.

The entire Top Executive Team (TET) plays a vital role in building, reviewing and approving the top layers of the organization. The TET members worked, and continue to work, diligently with each other and their strategic Human Resources Business Partners on building, refining and improving the structure of their teams. Changes to the structure of their teams and talent placements are reviewed with the full TET, including the Chief Executive Officer, for discussion and approval in committee meetings that occur two times per month. For the layer under their direct reports, Top Executive Team members discuss, review and share their proposals with the Chief Human Resources Officer for input and approval. These reviews occur semi-monthly or monthly based on the volume of changes in a Strategy Council meeting or a dedicated HR committee meeting.

These activities, with direct executive involvement, led to the confirmation or creation of over **368 leadership teams, the appointment of over 2,152 leaders in Stellantis** (with 24% of positions held by women, within the top three layers of the Company; +4 points versus the female representation in the former companies).

Succession planning activities to ensure that appropriate talent is available to fill critical or strategic managerial roles is also ongoing and will continue into the future.

The Stellantis Talent identification process aims to search for diverse profiles and experiences, identify talent more deeply within the organization, assign diverse talent to key positions, support new businesses, protect knowledge and know-how, promote and develop local skills, and objectify and reward performance.

The identified next career steps for employees is discussed by leaders in the organization and used to create formal succession plans. These plans are a particular point of focus for the analysis of the Stellantis talent pipeline as well as the identification and execution of development actions. **Succession plans for critical and strategic roles are reviewed specifically with Top Executive Team members and are monitored by a team of HR professionals dedicated to the support of talent activities.** These plans also form the foundation of developmental activities for this population of high potential employees with specific action identified to increase readiness and prepare talent for future roles.

3.2.5 POLICIES TO EXECUTE THE STRATEGY

GRI 102-35 | GRI 103-2

Talent management: unleashing the power of our talent

Based on meritocracy and contributing directly to the corporate strategy, the talent management approach taken by Stellantis seeks to diversify profiles and experiences, identify talent more deeply within the organization.

The forward-looking vision for skills ensuring the best match between future needs and current resources. A network of expertise contributing to the Company's technological roadmap is in place, whose mission is to identify the skills required according to the technical needs within the Company. The response to the need for strategic skills is provided, either through internal mobility coupled with upskilling through training programs, or with the acquisition of external skills.

We defined five levers to develop the right talent with the right behaviors and to anticipate skills in order to seize new business opportunities:

- **Talent to value approach:**
 - identify our most value adding roles that drive performance now and in the future;
 - detect our most talented people and put them in the right roles.
- **Meritocracy as a golden rule:**
 - recognize and reward top performing talents;
 - raise the bar with every promotion or hire.
- **Diversity as a driver:**
 - promote diversity, inclusion, unity, teamwork and mutual respect;
 - ensure equal opportunities.
- **Strategic skills focus:**
 - plan talent moves that will enable future success;
 - develop and attract talents with strategic skills necessary to deliver on future needs.
- **Speed and efficiency:**
 - learn to compete based on scale and speed;
 - think about organizations differently.

Stellantis talent development practices focuses on:

- leveraging our diversity to make it a competitive advantage;
- the ability to retain talent and attract new talent by strengthening the employee value proposition provided by Stellantis as well as an engaging and motivating work environment;
- the complete overhaul of the management training to prepare managers for the new challenges of the Company;
- strengthening the identification and development of talent through the implementation of a digital strategy and the utilization of data.

From delivering training to establishing an organizational learning culture

The goal is to support the development of an agile learning organization:

- rooted into both daily work practices and strategic business challenges;
- leveraging social inclusion, diversity, collaboration and collective intelligence across countries and businesses;
- putting the learners at the very core, with their motivations, aspirations and willingness to improve their employability.

It is much more than “delivering training courses”. It means creating, researching and leveraging all the learning opportunities present in a global and diverse Company. It means helping to create common practicing behaviors aligned with personal and business challenges and learning the new technical skills needed to drive digital transformation and green and sustainable mobility.

A comprehensive compensation policy that rewards performance

Stellantis’ compensation policy is designed to promote and reward those who achieve results based on leadership and performance. The Company benchmarks its compensation and benefits programs for a consistent and fair approach, aligned with its overall business strategy, in the countries where it competes for talent. The Company communicates to all employees in every country, the various aspects of compensation, social benefits, health and disability insurance, personal development and working environment.

As evidence of the ability of the employee representatives to reconcile cost control, competitiveness and rewarding performance, **62 salary agreements** were signed. The Company compensation policy has three main objectives:

- to reward performance;
- to provide a fair, competitive, market-driven compensation package;
- to retain and attract key talent.

Our compensation policies and practices are designed to follow Human Rights Guidelines and comply with applicable laws with a focus on diversity and inclusion. Compensation practices involving recruiting, promotions, annual salary reviews and incentive awards are reviewed for consistency across all employee groups. Allegations of issues regarding eligibility or compensation actions are reviewed for further analysis, explanation and eventual actions.

In France with non-discretionary and discretionary profit-sharing, and in Brazil with the Programa de Participação nos Resultados. In other countries, the Company has implemented a Collective Local Performance Incentive (CLPI) plan. The CLPI, which is deployed based on the Company’s economic performance, is distributed among the countries involved on a shared basis and is paid out according to terms defined by each country based on collective economic performance achievement criteria. The CLPI is progressively being implemented in countries with no profit-sharing program. To the economic performance criterion of operating margin, a criterion on quality results has been added. In addition to this fixed and variable compensation, there is an individual bonus plan.

A base salary is determined on the scope of job responsibilities, experience and the competitive market. Collective variable compensation is a component of the comprehensive compensation programs offered by Stellantis to its employees. These collective programs target all categories of employee and aim to reward collective performance and engage employees in value creation for the Company.

The Company’s determination to reward merit was demonstrated through the expansion of the bonus plans. **In 2021, 60,541 Stellantis employees were eligible to receive bonuses.** Stellantis offers Long-Term Incentive (LTI) for specific top managers and key talent, and 1,920 employees benefited. It is a significant component as it is designed to attract, retain and motivate expert leaders and talent. Performance goals set for LTI compensation is aligned with the interests of shareholders and other stakeholders – such goals include total shareholder return, synergies and CO₂ emissions reductions.

Long Term Incentive by gender

(Stellantis worldwide)

2021	Women	Men	Total
Number of employees benefited	366	1,554	1,920
% of employees covered by LTI	0.64%	0.70%	0.69%

As the Company continues in the integration of the merger, an analysis of all compensation programs globally was conducted to harmonize and benchmark competitive practices in each country.

In line with the Dutch Civil Code (DCC) and the Dutch Corporate Governance Code (DCCG), the CEO pay ratio and the trend is disclosed in the annual Remuneration Report as well as a description of the CEO compensation.

3.2.6 ORGANIZATION AND RESOURCES

GRI 103-2 | GRI 205-2 | GRI 401-2 | GRI 404-1 | GRI 412-2

To remain competitive in an auto industry undergoing transformational change, employees are encouraged to envision a career that involves continuous learning. Stellantis offers several learning and development opportunities, including training, coaching, mentoring, job rotations. **The Company invested about €141 million in training during 2021, delivering about 3.49 million hours of training to approximately 202,437 employees. Investments in virtual and on-the-job training focused primarily on the Company’s four core training concepts:**

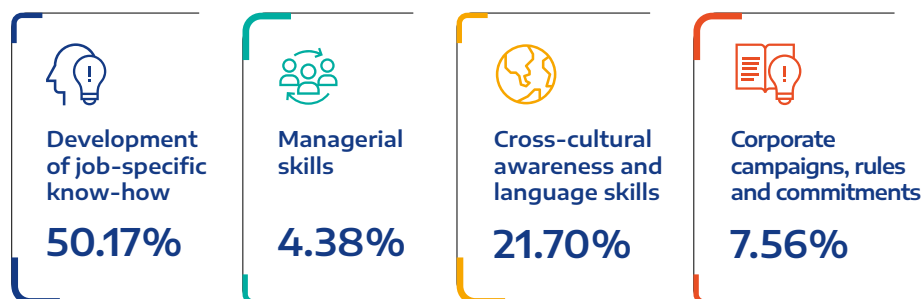
Employees trained by geographic area and age

(employees trained at least 1 time)

2021	Up to 30 yo	31-50 yo	Over 50 yo	Total of employees trained by geographic area
Enlarged Europe	13,706	61,843	38,537	114,086
North America	15,509	28,693	17,030	61,232
South America	3,855	12,692	1,616	18,163
Middle East & Africa	1,804	3,080	164	5,048
China and India & Asia Pacific	709	2,941	258	3,908
Total of employees trained by age	35,583	109,249	57,605	202,437

2021 KEY FIGURES

Training hours distribution per training area



Software Division

A software division was created as stand alone division with the mission to develop new platforms and businesses that will propel future success. In order to staff the new Software Division, a recruitment effort is deployed in five main hubs (U.S., India, Italy, France and Germany) to provide software critical skills from the global Tech labor market. The hiring process, started in July 2021, allowed the on boarding of 300 newcomers at all levels in 2021 and planned to recruit up to 550 new employees within 2022 in this area. **The objective Stellantis targets is to have 4,500 efficiency-driven software engineers in those hubs around the globe (1/3 from hiring and 2/3 from upskilling or reskilling).**

COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



The Top Management Team decided to launch a Software and Data Academy starting in 2022 to reskill over 1,000 Stellantis employees in software professions and reconvert internal existing talents into skills critical for the Company in the future.

Amazon and Stellantis collaboration for customer-centric connected experiences

Amazon and Stellantis N.V., a leading global automaker and mobility provider, have announced on January 2022 a series of global and multi-year agreements that will transform the in-vehicle experience for millions of Stellantis customers and advance the mobility industry’s transition to a sustainable, software-defined future.

Stellantis is accelerating its shift to becoming a sustainable mobility tech company. Stellantis and Amazon will collaborate to deploy Amazon’s technology and software expertise across Stellantis’ organization, including vehicle development, building connected in-vehicle experiences, and training the next generation of automotive software engineers.

A new Learning organization to drive the learning culture transformation

In 2021 the new Global Learning Team has been established. Reporting to the Learning and Diversity and Inclusion Unit, it is aimed at steering the journey towards the growth of the agile learning organization.

The Global Learning Team and the Technical Training Teams (teams dedicated to provide Job Families specific training) have been designed to combine, on global basis, business performance with the fulfillment of each employee's development expectations. Strategies, approaches, methods and ecosystems related to the "Learning culture transformation" are addressed by the Global Learning Team. In addition, this team is focused on the common needs which are at the very heart of Stellantis citizenship: **values and purpose, strategic drivers, cross-cultural awareness and diversity, leadership and development opportunities**. On the other hand, Technical Training Teams are more focused on job-related skills which are needed to perform in the different roles: Engineering, Industrial, Sales and Marketing, Retail and Corporate. They are guided by Job Family objectives and business lines' priorities across countries. Finally, Learning teams at the region and country level support the implementation of global initiatives and manage local challenges, rules and specific needs.

An example of a Region-wide initiative, fully consistent with the mentioned learning strategy, is the Digital Transformation delivered in Extended Europe. It adopts design thinking and agile methodology principles. It is clearly related to a Regional business priority, the impact is measured in terms of gained synergies, it leverages internal coaching and mentoring and it is led by the very top.

Develop global and agile talents: redesign and deploy new management training programs

A Global Leadership Development team was created in 2021 dedicated to the design, planning, education and governance of all talent management and leadership development activities. This includes a focus on Stellantis Leadership Models, performance management, leadership assessment, individual employee skills assessment, talent identification, career planning, succession planning, and development planning. The Global Leadership Development team is also responsible for identifying common global talent needs, designing tools and methods for addressing those needs in conjunction with the Global Learning team, and enabling

the HR team around the world to use those tools. **The tools include, but are not limited to, assessment centers, coaching, mentoring, and digital assessment tools.** This team works closely with a global network of over 20 leadership development professionals specifically identified to coordinate and support talent activities within each regional organization and each global function. This global network works together to lead the execution of all talent activities with the operations facing HR teams around the world. Human Resources Business Partners also, as a core component of their roles, drive the execution of talent activities and focus on strengthening the talent pipeline within Stellantis.

Employee benefits

GRI 201-3

The overall Company's compensation policy also includes providing an employee competitive benefits program in each of the countries, while controlling costs and meeting the Stellantis' social responsibility commitments. As the Company continues in the integration of the merger, an analysis of all benefit programs globally will be conducted to harmonize and benchmark competitive practices in each country.

Stellantis sponsors supplementary employee benefit programs worldwide that are aligned with local practices. Typical benefits can include cafeteria/lunch vouchers, childcare services, fitness/gym services, wellness/nutrition programs, etc.

3.2.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3

Many specialized programs exist across the regions that are targeted at developing our junior or high potential talent. These range in format from project-based programs where participants are deployed into different project teams or to achieve specific objectives, to rotational development programs where participants spend periods of time embedded full time in an organization or team. Rotating from team to team the talents gain a breadth of experience that usually takes years to gain. These programs are offered for several key functions across the Company including, but not limited to, engineering, manufacturing, finance, purchasing and the commercial groups. To date, over 500 employees have participated in one of these projects based or rotational development programs.

3.2.7.1 Initiatives to promote and develop our Workforce

GRI 102-43 | GRI 404-2 | GRI 404-3

Safeguarding career paths

There are several strategies aimed at anticipating new skills and providing the best possible learning solutions. The job-skills alignment process is being deployed across the world in Stellantis. Led by professional families owners, it is based on a standard definitions of professions and skills profiles.

Every year the professional development interview/assessment gives the opportunity to identify skills to be developed. **The Global technical Training Teams provide resources, learning classes and technical library for self-development.**

Strategic competencies needed to stay competitive and prepare the future of the business are reviewed and validated on ongoing basis.

The white-collar worker are expected to prepare, with their direct manager, their self-development plan related to main skills (both technical and behavioral) to develop. An extended training offer is also available. On top of that, several functions (e.g. Engineering, Purchasing and Supply Chain Management, Industrial, Information and Communication Technology) have competency-based models in place aimed at better identifying technical skills need for both white-collar and blue-collar workers.

The safeguarding of internal careers is accomplished with the global internal retraining program known as “Top Competencies”.

This program supports employees who are changing profession or Job Family in case of transformation or linked to technological developments, through training paths that last over 18-24 months.

In 2021, 1,035 employees took part in such retraining paths, with €614,000 spent for this retraining path. Around 54% of these employees joined professions with new and rare skills.

New Era of Agility

The New Era of Agility (NEA) program, is an innovative hybrid concept of working based on 70% of remote work and 30% on site presence. This program launched in 2020 with the ambition of worldwide deployment and the mobilization of stakeholders

including HR, Real Estate, ICT, employees and leaders to evolve the ways of working, behaviors and the mindset within the Company. At the heart of this project is the search for greater individual and collective efficiency: **benefits for the health and safety of employees, improvement of their work-life balance, motivation and well-being, greater use of the digital and collaborative tools, decrease of bureaucracy as well as better economic and environmental performance.** It is also a factor of attractiveness and new flexibility in talent acquisition.

The real estate teams have designed and are implementing new on-site space layouts aimed at increasing the complementarity of remote and on-site work with collective and collaborative spaces to encourage interaction, cross-fertilization and the development of a sense of belonging within the Company.

The Learning Team supports the New Era of Agility program with dedicated training paths, managerial programs and best practices. Several programs to support remote and virtual working have been delivered, including, seminars, key-note speeches, digital contents and resources, virtual classes. The new challenge of Hybrid work has been supported with a learning environment designed “around the learner” to give employees the opportunity to leverage the resources needed in the right moment.

In 2021 the New Era of Agility project was deployed in 23 countries, allowing the employees in engineering and central support functions to work remotely up to 70% of their worktime.

The Stellantis Venture Lab intrapreneurial approach

The Incubator welcomes and guides Company employees who have innovative ideas or new business ideas. The methodology, which is used by startups, focuses on the following key items:

- #PitchDays, where employees present their ideas;
- #debugs, where employees who wish to help people who have ideas can come together in a brainstorming session;
- #ProjectReviews, a review at the end of the incubation phases, before the Steering Committee.

If an idea is good, seems viable and interesting for the Company, it will be launched as a pilot experiment in the Business Factory. The Business Factory experiments with new businesses that have been identified as strategic for Stellantis. This mechanism

enables full-scale testing of new businesses in order to assess their potential and benefit for Company customers. It gives employees a chance to dare by experimenting with new businesses that are often different from their area of expertise. In 2021, 1,375 proposals have been examined, more than 45 have been incubated and 6 have been transformed into experimentation.

Incub's basics, a COOC (corporate online open course) has been created and is available for all Company employees. This online training allows Company employees to get used to lean startup methods and innovative ecosystems more quickly

Star*Up, launched globally in 2021, is a program aimed at encouraging and transforming our employee's ideas and promoting an intrapreneurship spirit within Stellantis. Employees were invited to submit their ideas and each region selected their top 5 ideas to enter a three-months incubation phase. The six regional finals, chaired by the Region's Chief Operating Officer (COO) selected the winning idea to represent their respective regions in the Global Finals. The winning idea was launched in the Business Factory.

Supporting the Company's international expansion

Our strategy finds a balance between the promotion of local talent and the need to build international career paths for our high potential talent. Reserving the expatriation process for high potentials allows the Company to improve the way we manage the costs of expatriation for the business and to encourage the development of local talent.

At the end of 2021, 230 men and women were working as expatriates in 35 countries in the world. Women represented 8.26% of Stellantis expatriates, a proportion that the Company wants to increase. The main countries of destination are, in descending order, China, Morocco, France, Germany and India.

The Global Learning Team has launched in 2021 a learning site on cross-culture awareness, self-assessment and development to facilitate international mobility and, at the same time, full visibility and involvement of local talent within the global arena.

Annual Appraisal

The Annual Appraisal is a fundamental strategy for assessing individual performance and development. For the 2021 year, the two performance management approaches from the legacy companies (Performance Appraisal for legacy PSA and Performance and Leadership Management for legacy FCA) were carried out for the respective predecessor company populations. While these two performance management processes were built over the years in different contexts, there were many similarities that stem from two cultures that are passionate about performance. In both processes, organization leaders define the collective objectives that each function will work toward achieving. These objectives were shared with managers and employees who work together to set individual objectives that support the collective targets of the company. Managers and employees are encouraged throughout the year to assess performance, identifying successes and focus areas to improve delivery.

Both Talent Management approaches, also included a dedicated moment for managers and employees to discuss career prospects and development.

At the end of the year a self-assessment and exchange with managers , managers identify a rating for the employee and document major achievements for the year. The assessment of objectives and performance for the year ties directly to a variable bonus payment for eligible employees. In the legacy FCA Performance and Leadership Management process, ratings were also provided based on a list of 10 specific leadership behaviors, as well as an overall leadership rating which impacted the overall rating and variable bonus payment. This rating information is used as an input in many HR processes including succession planning and internal talent mobility.

In 2021, the foundation was laid for a new unified Stellantis performance management process that takes the best of both approaches and increases focus on supporting employee performance through enhanced and continuous feedback and discussions. Continuous and transparent feedback is a core element of our commitment to develop and unleash the potential of employees.

Employer Brand

We recognize the importance of consistency within our Employer Brand (the Company reputation as an employer), and the need to demonstrate the same values and behaviors internally and externally. **Our Employer Brand has a significant impact on Company reputation, from how customers perceive our Company to the ability to attract future talent.** We publicly share our commitments and initiatives on Diversity and Inclusion. We are reviewing our Talent Acquisition policy and tools to ensure that our processes are bias-free and support equality of opportunity.

3.2.7.2 Supporting Digital Transformation

To promote digital transformation within Stellantis, the Global Learning team delivers a digital barometer, called Digimapper, to evaluate the level of knowledge in the Company. Employees can afterwards access content to learn according to their results and opportunities for development. In addition, several workshops were designed to learn about digital methodologies, technologies and working methods.

Digital Employee

The Digital Employee program aims to onboard all employees in the worldwide digital transformation and improve global well-being of each employee within the Company. The Digital Employee program is based on three pillars:

- **Digital acculturation for all:** our ambition is to improve digital and data skills for all our employees in order to support our workforce in the digital transformation of their jobs and to help them to simplify their daily basis processes with new technologies, to be more focus on the added value tasks.
- **New ways of working in line with the New Era of Agility program:** we are deploying new ways of working and greater use of digital collaborative tools to help our employees to be more agile and more efficient in their daily works. Our network of Labs supports the teams in using these agile and customer centric methods.
- **Employee Journey simplification:** We have the goal to simplify all touch points in the employee journey and decrease bureaucracy by proposing useful digitalized services and paperless processes through our Stellantis employee portal.

Digital learning

To enable employees to learn at their own pace and according to their needs, motivation and time, the Learning Team is continuing to expand its digital training catalog (8,500 resources are available in the form of e-learning, videos, tutorials, MOOCs, etc.) through two Learning Management Systems (LMS) known as “Learn’in” and “The Learning Hub”. Both systems are accessible on mobile devices to allow as many employees as possible access to learning resources. COVID-19 has accelerated the expansion to reach learners wherever they are in order to leverage their motivation and agility. 58% of hours were attended via digital learning in 2021.

3.2.7.3 Learning

Engaging the Universities

The Philanthropy team facilitated online webinars for university students, reaching more students from the Politecnico of Turin. In-depth discussions focused on Stellantis's sustainability performance and transparency requirements for companies to disclose how they operate and manage social and environmental challenges.

The Company has been involved in providing technical support for years to university teams that design and produce prototypes in European Formula SAE events. In 2021, Stellantis took part in the jury of the 16^o competition, at both the remote and physical events, respectively focused on business model and race competitions for electric vehicles.

International Dual Master's Degree Program with Politecnico of Turin (Italy), the University of Windsor (Canada) and Oakland University (U.S.), and our partnership with McMaster University (Canada). The partnership with McMaster University focuses on developing next-generation, energy efficient, high performance, cost effective electrified powertrain components and control systems suitable for a range of vehicle applications. **This collaboration has contributed to technical advancements and the expansion of employee competency and to new employees engaged in the field of hybrid and electric vehicle technologies.**

Specifically, in the ADAS area, the Company provides its expertise to develop training courses in partnership with major engineering schools, in order to contribute to the development of this technical strategic field. Here are different types of delivery in 2021:

- The ECE school asked the Company to help it develop an autonomous vehicle training program (AD and ADAS). It is now integrated into the curriculum of the school's students. The content has been adapted to be also used internally to improve the skills of internal employees.
- The Company contributed to design the content of an ADAS program with the ESTACA school. This certification program aims to meet the needs of industrial companies by allowing employees to retrain in 3 years in the field of ADAS. The majority of learners in this first current promotion are Company's employees.
- Another example with the partnership with the Mines Paris Tech major school: the Company expertise contributes by defining the needs of educational content. The school will develop short training modules focusing on ADAS topics as data fusion, which will be used by automotive companies.

New learning impact measures

Consistently with the new mission, the Learning Team is benchmarking and designing a new set of KPIs aimed at providing a more comprehensive view of the impact of learning in all its different and interconnected facets: formal and informal, social, digital, agile, embedded in business and daily work processes, driven by the learner more than by the Company, etc. Traditional measures, designed to report the mere provision of formal courses, are in fact no longer adequate to value all this richness and variety. This new set of KPIs, after approval, will be fully deployed along 2022.

New management learning to support the Company's strategic issues

The Leadership Academy, part of Learning and Diversity team delivers programs that are specially designed for managers. **The approach to all programs is to mobilize and equip all managers with the most effective mindset and behaviors to tackle the business and the transformation of the Company.** The Leadership Academy brought a renewal of programs and the creation of two new programs: "LEAD" (for high potentials) and "Beyond Horizons" (for all Vice-Presidents and Senior Vice-Presidents). The "Leadership In Action" (LIA) program, which works on

leadership concepts and is based on collective intelligence, was designed to help managers become motivating leaders for their teams who can keep up with cultural changes by adopting the new Company values and new behaviors.

North America delivered a fully digital "New Leader training program" targeted to newly appointed managers. Another example, also in North America, is a development program designed specifically for women was used in 2021 in order to further deliver on our commitment to increase female representation in our most senior leadership roles, with the program being used as a template for a program for ethnic minorities currently under development. In South America a training course was given to some 260 leaders and talents over a 3-month period. In Europe two innovative, project based leadership development programs were continued, one for junior talent and one to prepare leaders for more senior roles. China delivered virtual mentoring program for 99 talents. India continued to have virtual instructor led workshops in leadership area, specific mention is the team-building program 'Collab' covering 250 employees conducted virtually.

Global Learning team

An example of initiative promoted by the Global Learning team is the **"Cross-Cultural Awareness global site"**, a virtual square where people can self-assess their cultural styles, get feedback, tools and insights on different cultures, exchange views with colleagues based in other countries. Consistently with our learning strategy aimed at leveraging individual accountability for learning and development, it is more a combination of peer and social learning opportunities than a compulsory training program. Similar concepts have been applied to digital literacy and digital transformation (Digital WoW), diversity and inclusion, learning and sharing actual practices on the new Era of Agility and new way of working (hybrid, versatile, self-directed).

Technical Training Teams

An example of programs designed and delivered by Technical Training Teams is the Engineering one: The peculiar and innovative training activities took place on 3 fronts: **Connectivity, Electrification and Vehicle Automation.** All these activities were carried out with internal trainer specialists, mostly identified within the Product Development Technical Career Community.

For Connectivity courses were held on Architectures, Cybersecurity, Geolocalization, Big Data and Human Machine Interface.

Training on Electrification was about Hybrid and Electric architectures to NVH (Noise, Vibration and Harshness) for Hybrid and Electric Vehicles and Battery Cells and Packs System

On the **Vehicle Automation topic**, a suite of specific courses has been created covering the following contents: Autonomous Driving , Introduction to Agile Methodology, Sensors, Control System, CAN Network and Architecture trend.

Customer Experience Training dedicated to Sales and Marketing and Retails employees to support the ambition of Stellantis to be the n.1 in the Customer Satisfaction. The aim is to build the awareness and commitment of each employee towards this goal. A deep dive on Net Promoter Score, Failure Rate and Warranty Accrual to show the direct impacts on Customer Satisfaction level and based on:

- management of customer interactions in dealership reception situations or in spare parts hubs call centers;
- warm up to reduce musculoskeletal disorder with an immersive program (Virtual reality);
- professional risks decrease in spare parts hubs with an immersive program (Virtual reality);
- better phone communication with the clients.

3.2.7.4 Compensation and Benefit

GRI 201-3 | GRI 401-2

Employee savings plan

Employee savings plans allow employees from several countries to invest in Company shares or other diversified instruments (shares, bonds, monetary) with a varied yield/ risk ratio depending on the instrument. At the end of December 2021, employee savings plans represented €27.16 million.

Health and Welfare Benefits

The Company offers life insurance in all countries where Company insurance can be set up. For health care benefits, the Company provides health care insurance to employees that is competitive within country local practices.

Retirements/Pensions

Pensions at the end of 2021, the commitments recorded in the Company's accounts under defined-benefits pension programs were €767,538,441 and were covered by dedicated funds of €28.8 million. These valuations are conducted annually, in accordance with the IAS 19 standard, by an international actuary firm, based on assumptions audited by the Company's Statutory Auditors. **The Company has set up defined-contribution pension programs in all countries where necessary according to market practices and available resources.** Some defined-contribution plans are in place in countries such as France, the United Kingdom, Germany, Spain, Belgium, the Netherlands, Poland, Slovakia, Brazil, Argentina, Turkey, Canada and the United States, with country-specific modalities.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



In 2021, the people trained on electrification-related topics within several professions have been 36,320, with 81,606 hours delivered.

For example, in the Engineering perimeter:

- training on electrification have been covered one wide range of topics, from hybrid and electric architectures to NVH (Noise, Vibration and Harshness) for hybrid and electric vehicles and battery cells and Packs System;
- 2,000 ex-PSA engineers specialized in the strategic domains identified to follow the evolution to new mobility and connectivity, have been involved into programs called «TOP competencies» and «skills2move»;
- in e-Powertrain, specific training courses were developed and delivered with different levels until the advanced one for Electric Machine, Power Electronics, Electrical Energy Storage and Charging System. These specific training courses were prepared and delivered by internal Specialists within the “Expertise” community and also in partnership with Schools and Universities.

In the Manufacturing perimeter, into the vehicle electrical authorization program a specific training course has been developed thought a specific project named “Battery Pack”. The aim is to upskill around 120 operators on the battery. This training course leads to a qualification certification, officially recognized in by the Metallurgy branch.

3.2.8 DETAILED KEY PERFORMANCE INDICATORS

GRI 103-2 | GRI 202-1 | GRI 405-2

3.2.8.1 Employees trained by geographic area and training area

(number of employees)

2021	Development of job-specific know-how	Managerial skills	Cross-cultural awareness and language skills	Occupational Health and Safety	Rules and Commitment			Digital skills	Environment	Others
					of which code of conduct	of which human rights	of which anticorruption			
Enlarged Europe	114,329	24,131	12,429	24,775	46,891	2,343	16,847	3,764	5,303	5,699
North America	39,959	10,742	3,167	26,436	22,009	17,207	13,279	1,048	9,217	6,532
South America	7,983	11,829	252	2,755	6,691	1,447	1,849	28	2,314	397
Middle East & Africa	2,198	104	189	497	1,754	6	716	71	132	466
China and India & Asia Pacific	184	1,337	1,015	297	2,856	122	546	321	66	460
Total of employees trained by type of training	166,309	48,143	1,932	5,476	80,201	21,125	33,237	5,232	17,032	13,554
	Hours of training	Individual training courses provided to employees			Training investment per employee			Average hours trained per employee		Employees benefited from at least one training course during the year
	3,497,750	458,913			505€			12.5		202,437

3.2.8.2 Employee benefits by geographic area, type of benefit and gender

(number and % of employees)

2021	Supplementary retirement schemes			Company-provided health plans			Life insurance			Financial support for disability-invalidity			Others (interest-free loans, retirement plan)		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Enlarged Europe	11,719	57,263	68,982	15,423	73,355	88,778	5,938	24,436	30,374	18,907	90,326	109,233	3,885	16,639	20,524
North America	6,807	25,372	32,179	17,917	48,651	66,568	19,441	70,245	89,686	17,984	51,475	69,459	12	284	296
South America	9,495	42,221	51,716	36,152	50,345	86,497	6,396	27,434	33,830	564	2,077	2,641	7	157	164
Middle East & Africa	11,146	44,381	55,527	2,707	10,955	13,662	19,223	1,925	21,148	579	2,715	3,293	44	153	197
China and India & Asia Pacific	77	143	220	800	2,517	3,317	878	2,459	3,337	5	20	25	620	1,046	1,666
Total	39,244	169,380	208,624	72,999	185,823	258,822	51,876	126,499	178,375	38,039	146,613	184,651	4,568	18,279	22,847
% of employee benefits	19%	81%	100%	28%	72%	100%	29%	71%	100%	21%	79%	100%	20%	80%	100%

3.2.8.3 Employee benefits by geographic area - type of benefits and gender

(in €)

2021	Supplementary retirement schemes			Company-provided health plans			Life insurance			Financial support for disability-invalidity			Others (interest-free loans, retirement plan)		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Enlarged Europe	15,469,950	112,626,071	128,096,021	6,963,167	32,667,672	39,630,839	1,992,737	7,399,834	9,392,572	6,405,969	27,390,627	33,796,595	212,362	871,184	1,083,546
North America	24,260,929	91,645,213	115,906,142	467,203,162	400,323,625	867,526,786	123,097	1,243,803	1,366,900	383,991	1,555,138	1,939,129	290,773	7,573,331	7,864,104
South America	12,387,832	57,261,867	69,649,699	25,897,040	33,928,669	59,825,709	195,257	595,517	790,774	16,750	172,334	189,084	437,408	450,664	888,072
Middle East & Africa	1,403,039	3,241,527	4,644,566	738,485	2,170,593	2,909,078	19,631	99,363	118,993	4,261	37,968	42,228	12,984	94,477	107,461
China and India & Asia Pacific	298,865	795,233	1,094,098	311,780	992,265	1,304,046	70,066	234,379	304,445	7,075	35,895	42,970	141,595	241,356	382,950
Total	53,820,615	265,569,912	319,390,526	501,113,634	470,082,824	971,196,458	2,400,788	9,572,896	11,973,684	6,818,045	29,191,961	36,010,006	1,095,121	9,231,012	10,326,133
% of employee benefits	17%	83%	100%	52%	48%	100%	20%	80%	100%	19%	81%	100%	11%	89%	100%

3.2.8.4 Annual Appraisal by geographic area, gender and category

(number of employees)

2021	Women			Men			Total
	Blue collars	White collars	Total	Blue collars	White collars	Total	
Enlarged Europe	8,919	11,647	20,566	49,986	40,340	90,326	110,892
North America	772	4,471	5,243	3,391	18,367	21,758	27,001
South America	168	2,485	2,653	970	5,953	6,923	9,576
Middle East & Africa	24	677	701	259	1,257	1,516	2,217
China and India & Asia Pacific	33	875	908	364	2,832	3,196	4,104
Total	9,916	20,155	30,071	54,970	68,749	123,719	153,790

3.2.8.5 Labor Costs by geographic area

(in €)

2021	Enlarged Europe	North America	South America	Middle East & Africa	China and India & Asia Pacific	Total
Of which, wage costs	9,212,929,256	3,734,967,895	360,141,979	86,213,961	299,496,798	13,693,749,889
Of which, payroll taxes	2,999,030,266	320,969,230	117,175,342	7,563,265	42,086,285	3,486,824,388
Total labor costs	12,211,959,521	4,055,937,125	477,317,322	93,777,226	341,583,083	17,180,574,276

3.2.8.6 Comparison between Company entry-Level Salary¹ and Legal Minimum Wage by country

(2021)

Country	Ratio	Country	Ratio
Algeria	3.63	Japan	1.29
Argentina	2.78	Malaysia	1.37
Australia	1.03	Malta	1.00
Austria	2.07	Mexico	1.14
Belgium	1.15	Morocco	1.68
Brazil	1.46	Netherlands	1.27
Canada	1.37	Poland	1.47
Chile	1.04	Portugal	1.00
China	3.63	Russia	1.74
Denmark ²		Serbia	1.14
Egypte	3.39	Slovakia	1.36
France	1.12	South Africa ²	
Germany	1.39	South Korea	1.28
Greece	2.26	Spain	1.12
Hungary	1.34	Turkey	1.81
India ²		Ukraine	2.40
Italy	1.05	United Kingdom	1.06
		United states	1.21

¹ Same entry-level salary for men and women

² No legal minimum wage for Stellantis employee category

3.3 DIVERSITY AND EQUAL OPPORTUNITY



3.3.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

According to the 2020 report on diversity and inclusion by McKinsey & Company, the need for inclusion and diversity is stronger than ever and the COVID-19 crisis has confirmed how they matter more than ever. This report shows that the business case remains robust and that the relationship between diversity on executive teams and the likelihood of financial outperformance has strengthened over time.

By virtue of its structure and global vocation, Stellantis considers diversity as a strength. Through diverse teams, who are representative of the markets and communities we operate in, we gain a better understanding of the needs and expectations of our customer base, and a deeper understanding of market dynamics. Through fostering inclusion, we drive employee engagement and create the conditions for all employees to reach their full potential, leading to greater performance and businesses sustainability. Our Diversity and Inclusion Leadership Commitment is founded on clear principles, which ensure that basic human rights and dignity remain paramount, regardless of the country or region in which we operate. These principles are reinforced through commitments outlined in collective agreements, established in collaboration with our social partners.

Company's public position

Powered by our diversity we lead the way the world moves, this is our purpose. Diversity and inclusion are therefore intrinsic parts of our Company's commitment on equity of opportunity. We work to offer our employees an inclusive work environment, where everyone can feel respected and valued. Stellantis publicly calls for the prevention of discrimination and the promotion of equal opportunities. Our Company's commitments have been detailed in various Company agreements, such as the Diversity and Inclusion Leadership Commitment, which will be published at the beginning of 2022. Our commitment is underlined through our signing of the UN Global Compact as Stellantis on 31st May 2021.

3.3.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #6 Diversity and equal opportunity</p> <p>Owners Chief Human Resources and Transformation Officer</p> <p>>>></p>	<p>Reinforce diversity, equal opportunities and inclusion as a strength for our teams and business by influencing the development of new ideas and solutions that will shape the future</p>	<p>Workforce gender balance: % women in leadership position (N1-N2-N3)</p>	<p>2025: >28%</p>	<p>2030: >35%</p>	<p>2040: >40%</p>	<p>24%</p>

3.3.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15

GRI 103-2

3.3.3.1 Risks

If we take no action relating to Diversity and Inclusion (D&I), or if our actions do not align with our commitments, then we are subject to, amongst others, the following risks:

- Inability to attract talent leading to lack of diverse representation, hindering innovation and our ability to meet our customer needs
 - By communicating openly and widely on our D&I strategy and commitments we place D&I at the heart of our Employer Brand (the company reputation as an employer) and present Stellantis as an employer of choice to future talent.

- Potential of non-compliance with local regulations and cost of managing individual employee claims on the grounds of discrimination or harassment.
 - Our Code of Conduct states our commitment to compliance with all applicable local laws, with some commitments going beyond legislative requirements. In addition, we provide comprehensive employee training on D&I, for example, Unconscious Bias, Preventing Discrimination and Harassment.
- Difficulties when trying to build a global multi-cultural organization.
 - Through a comprehensive Intercultural Learning and Awareness Program, we ensure that employees are equipped with the knowledge and skills to work with colleagues in a multicultural working environment.
- Difficulties when trying to integrate new generations.
 - Through Mentoring and Reverse Mentoring programs we ensure knowledge, experience, and insights are shared between generations within the workplace.

- Reduced levels of employee motivation, with a potential impact on productivity.
 - Our first Stellantis Global Employee Survey will take place in early 2022. This will allow us to understand employee perceptions and feedback on engagement, well-being, motivation, and inclusion, and adopt appropriate actions to address any areas of concern.
- Negative impact on Company reputation and image.
 - We openly share our commitments on Diversity and Inclusion through our Company D&I Leadership Commitment which we will publish beginning of 2022, and our Code of Conduct affirms our commitment to maintain a fair and inclusive workplace, free of discrimination or harassment. We will monitor our progress against our action plans and will produce an annual report (first release planned at the end of 2022) to share our achievements.

3.3.3.2 Opportunities

As a global Company, building and retaining a diverse workforce and fostering an inclusive environment, where all employees feel valued and respected, presents us with many benefits, including:

- as a business, **we are more agile** with the ability to develop and adapt to social and industry transformations;
- the ability to **meet the evolving needs of our customers** through diverse and representative teams;
- **increased employee motivation and engagement** by maintaining a fair and inclusive workplace;
- **optimizing efficiency**, leading to greater performance and business sustainability, by leveraging all talent and diversity;
- from an external stakeholder perspective, we can maintain, and even improve, the **Company's image and reputation** due to our progress and achievements against our commitments and action plans;
- by developing a **strong employer brand**, which is closely aligned with our Diversity and Inclusion strategy, we have the ability to attract and retain top talent.

3.3.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

The Global Diversity Council is chaired by the Chief Executive Officer (CEO) and composed of the Stellantis Top Executive Team, some of whom also have the responsibility of Chairs of the Regional Diversity Councils for their region. The Council has the responsibility for setting the Company's Diversity and Inclusion strategy in alignment with the overall business strategy and objectives. It provides governance and oversight on the delivery of the key Diversity and Inclusion actions and the effectiveness of the Diversity and Inclusion function.

In early 2021, a new dedicated Global Diversity and Inclusion office was established, with responsibility for defining and implementing the **Company's Diversity and Inclusion strategy on a global level and coordinating the extension of the global strategy into our regions and countries of operation.**

Within our regions, the Chief Operating Officer chairs the Regional Diversity Council. Each Regional Council is responsible for establishing the Regional Diversity and Inclusion strategy and associated action plans, whilst supporting the implementation of local Diversity and Inclusion action plans, ensuring that regional and local actions align with the global strategy.

Moreover, collective bargaining agreements, established in collaboration with our Social Partners, state our commitments on Diversity and Inclusion, with a focus on the elimination of discrimination and the promotion of diversity.

We all recognize Diversity as a competitive advantage and we build our global strategy on three main principles:

- **respect for human values:** human dignity and basic rights should remain paramount;
- **respect for local traditions and context:** we respect the traditions and culture of the countries in which we operate;
- **finding common ground:** we strive to find the common areas and use them as a starting point for moving our global strategy forward.

On a Global perspective, the Stellantis Diversity and Inclusion strategy focuses on the main dimensions related to Gender and Generation. This approach is applied at a Regional level and integrated with local specificities.

3.3.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

Diversity and Inclusion

Stellantis is a global organization and across all of our locations and business areas we embrace diversity and inclusion, where everyone is valued for their contribution to the Company, leading to stronger employee engagement, increased innovation, and greater business sustainability.

In line with Our Purpose, we believe that Diversity and Inclusion is essential to the performance and sustainability of our business.

We seek to promote a diverse and inclusive environment where we respect the different characteristics of our employees, including but not restricted to, gender, age, ethnicity, nationality, religion, sexual orientation and disability. We also promote an inclusive environment for disabled people. The strategy reinforces our commitment to providing equality and fairness to all in our employment based on merit, and our zero tolerance approach to all forms of unlawful and unfair discrimination.

The strategy shares our aspirations in the area of Diversity and Inclusion in relation to our customers, our employees, our future talent, our leadership, and the communities within which we are located, whilst setting out the key areas of our approach:

- **Commitment:** building a diverse and inclusive workspace that aims for stronger employee engagement, leading to greater business sustainability.
- **Learning and awareness:** ensuring all employees have equal access to training and development opportunities, and a specific learning and awareness program to raise awareness on key Diversity and Inclusion topics.
- **Employee Voice:** the importance of employee voice and creating channels for them to be heard.
- **Employer brand:** ensuring we reach a diverse audience with our employment opportunities and ensure that our selection processes are free of bias.

Code of Conduct

The Stellantis Code of Conduct (CoC) sets out the principles and requirements that employees are expected to respect in relation to Diversity and Inclusion, when interacting with colleagues, customers, suppliers, visitors and other business partners **(80,201 employees trained)**.

The CoC details the Company's commitment to maintaining a fair and inclusive workplace, free from favoritism, violence, sexual and non sexual harassment, or any kind of discrimination including based on age, ethnicity, gender, sexual orientation, or religion. The Company promotes equal employment opportunity and diversity, where everyone is valued for their contributions to the Company.

Collective Bargaining Agreements

Stellantis voluntarily formalized its actions in favor of diversity in its social dialogue. On an international scale, the Collective bargaining Agreements on Social Responsibility are committed to **exceeding local legal requirements** in applying and promoting the fight against racism, sexism, xenophobia and homophobia and, more generally, against intolerance of differences and ensuring respect for privacy.

Within former Groupe PSA, an agreement on 'Motivation and Well-being at work, was established in 2020. It has been updated in 2021 (for PSA Automobiles and Stellantis NV France) and affirms the Stellantis commitment to ensure equal treatment using objective criteria, such as skills and performance, to combat prejudice and to prevent direct or indirect, conscious or unconscious discrimination, particularly with regard to the real or supposed origins of people.

Human Resources Policies

To ensure we continue to promote equality of opportunity, we are in the process of aligning our Human Resources policies and processes with the Diversity and Inclusion vision and strategy. This exercise includes policies applicable to key elements of the employee journey, such as Talent Acquisition, Talent Development, and Remuneration, however, **we ensure that information relating to Diversity and Inclusion within Stellantis is included in all relevant policies and processes**, for example, the Job Families approach and Expertise network (for more information, [see section 3.1.4 >](#)).

3.3.6 ORGANIZATION AND RESOURCES

GRI 103-2

Stellantis recognizes the value of engaging with and involving employees in our Diversity and Inclusion journey and has supported the establishment of a wide range of **Employee Resource Groups (ERG)** across the organization. These resource groups undertake multicultural learning opportunities, mentoring and networking events, community outreach initiatives, charitable activities and contribute to the development and improvement of HR policies and processes across the Company. We believe that employees actively participating in ERG, contribute to developing a diverse and inclusive working environment.

On a global perimeter, the ‘Women’s Alliance’ of former FCA and ‘Women Engaged in PSA’ acts as a think tank that contributes to business issues and cultural change, and encourages the members to be actors of tomorrow’s Company, through key management or expertise positions. Collectively both groups at the end of **2021 have 2,815 members and 224 Ambassadors/Partners, who are men and women committed to supporting the network’s actions.** They are active in 25 countries, and thus contributes significantly to the Company’s cultural transformation. The two groups are working to create the ‘**Women of Stellantis**’ group, that focuses on promoting gender equality within the workplace.

In North America the following Business Resource Groups (BRG) are also active: Asians Connected Together (ACT), the DIVERSE•abilities Network (DaN), First Nations, Latins in Connection (LinC), Middle Eastern Employees Together (MEET), the Prism LGBTQ+ Alliance, the Stellantis African Ancestry Network Diaspora (STAAND), the Stellantis Veterans Group, the Women’s Alliance, Women in Manufacturing (WiM), and the Working Parents Network (WPN). The Women’s Alliance BRG supports two affinity groups representing the Society of Women Engineers (SWE) at Stellantis and Connecting Women in Technology (CWIT) and recently supported colleagues in Canada and Mexico to launch the Canadian Women’s Alliance and Women’s Alliance Mexico BRGs. Similar groups are planned to be launched in the other regions in the near future.

A proportion of the Company’s Learning and Development budget is dedicated to learning interventions related to Diversity and Inclusion, with the objective of raising awareness and expectations with our workforce, including all-employee learning and a specific focus within our global leadership programs.

3.3.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3

GRI 405-1

GRI 419-1

Stellantis is aligned with the vision of the United Nations Sustainable Development Goal on Gender Equality, and committed to following the UN Women’s Empowerment Principles, which encourages companies to promote gender equality and the empowerment of women in the workplace, industry, and community.

With this commitment, the Company shares its intention to adopt business practices that support gender equality and empower women within the Stellantis organization, globally and across the automotive industry. These include, among others, processes to ensure equity and fairness in the determination of compensation levels (Blue Collars average wages for women is 94% of average wages for men and 91% for White Collars), annual salary reviews and promotions; provision of flexible working opportunities to support work-life balance arrangements; and events to foster interest in technical careers among women.

In 2021, in North America, **Stellantis earned 90%, a top score on the annual Disability Equality Index (DEI)**, a comprehensive benchmarking tool that helps companies build focused and measurable strategies that support disability inclusion and equality in the workplace. Administered by Disability:IN and The American Association of People with Disabilities (AAPD), the Index represents those businesses that have invested in accessibility and inclusion across their enterprises and are recognized as the best places to work for disability inclusion.

Stellantis supports public policies in favor of diversity

Former Groupe PSA was one of the first French companies to be awarded the Diversity label in recognition of the human resource policy and best practices in promoting diversity and equal opportunity and preventing discrimination. Since obtaining this label in 2009, former Groupe PSA maintained its commitment and the current label, valid for a period of three years, dates from November 8, 2019. In addition, former Groupe PSA was the first company to receive the “Gender Equality label” in France in 2005. The current label, valid for a period of three years, dates from January 10, 2020. It marks the Company’s long-term commitment and ongoing progress toward gender equality. These labels are awarded after a demanding certification process conducted by AFNOR Certification via an on-site audit. Similarly, in Spain, former Groupe PSA

held the Diversidad label, accredited by the Diversity Foundation with the support of the Spanish Ministry of Equality, since 2009.

Prior to the merger, former FCA received a number of recognitions for our commitment to diversity in 2020. As an example, former FCA was ranked in the Refinitiv Diversity and Inclusion Index in the global "Top 100 Most Diverse & Inclusive Companies". The index lists the most successful companies in promoting and leveraging diversity and inclusion in the workplace. In addition, for the 17th year former FCA was included in Latina Style's 2020 list of Top 50 U.S. companies for Latinas.

Gender Equality

Stellantis adopts a proactive commitment to promoting gender diversity and professional equality between men and women. In view of its traditionally male sector of activity, the Company considers the gender balance of its core businesses and key positions as a fundamental objective of its responsible and sustainable development and of its employees' quality of life at work. **In 2021 women represented 24% of top management (N1-N2-N3) and 32% of hiring with all employee categories combined.**

Stellantis defines the following target and commitment:

Gender diversity of top management: >35% by 2030, eliminating under-representation of women in top management;

The cross-functional management of Company Job Families and Professions ([see section 3.1.7 >](#)) incorporates objectives of gender balance of key positions. Each job family has appointed a female ambassador who promotes gender diversity and creates action plans adapted to her business line.

Intergenerational diversity

Stellantis seeks to strengthen the place of more experienced employees and considers them an advantage for the Company's success. Through reverse mentoring programs, the Company encourages knowledge transfer, and considers this exchange and the coexistence of generations as an asset for social cohesion and business performance.

In addition, the Company has programs in place to attract the next generation of talent into the automotive industry. **In 2021, the Company welcomed 4,462 work-study program participants (skills-acquisition and apprenticeship contracts) and 4,013 interns.**

On a regional basis, countries such as India and China have specific projects focused on attracting candidates directly from University campuses in order to meet our future skills requirements in areas such as software and digital technologies.

Cultural Diversity

In the United States, Stellantis has developed several programs and policies specifically supporting ethnically underrepresented populations. In 2021, two leadership development programs, focused on Black and Multicultural talent, were launched to prepare emerging diverse talent for leadership opportunities. Candidate hiring slate requirements were established to ensure diversity among candidates interviewing for internal and external opportunities. Additionally, **diversity targets were established and tracked for senior leadership, as well as top management.** Diversity Action Plans by function have been established to identify specific actions to be taken to close talent gaps. In 2021, Stellantis launched the Black Supplier Development Program, in collaboration with the National Business League (NBL), to develop Black suppliers for future contracting and procurement opportunities in the pursuit of greater racial equity in the marketplace. The Stellantis-NBL National Black Supplier Development Program will support the development of Black businesses around the country and internationally for future opportunities within the federal government and public and private sectors.

Maternity, paternity and educational parental leave

Stellantis takes parenthood into account as part of its respect for gender equality in the workplace. By supporting a work environment encouraging employees to return to work after maternity leave, **Stellantis policy helps employees who are parents to achieve a better work-life balance.** It also ensures employees are informed about the various possible parental leave options, depending on the legislation, encouraging both mothers and fathers to take advantage of it.

On top of the public regulation, Stellantis has a proactive approach with its social partners, for example in order to support working parents. A company agreement was signed in 2014 in France with all trade unions to establish an innovative social cohesion system based on the values of solidarity and mutual assistance. Under this agreement, employees can donate days off to parents with a sick child, anonymously and without receiving anything in return. The donated days are banked in a Solidarity Fund created for this purpose and is managed by the workplace social services. In 2016 a new agreement extended the program to spouses, common-law spouses and partners.

Starting in 2020, another agreement extends this program to employees who are caregivers of a dependent or disabled relative. This program has received a strong response.

In 2021, 408.6 days have been donated. 237.5 days were granted to 20 employees to help them cope with a variety of situations including illness, disability or accidents.

Parental Leave by gender

(number of employees)

2021	Men	Women	Total
Parental leave entitled	16,202	5,883	22,085
Parental leave used	3,967	2,877	6,844
Back to work after parental leave	3,093	1,326	4,419

Supporting individuals with disabilities

Stellantis policy regarding social and occupational inclusion of people with disabilities is enacted worldwide through various collective agreements with the goal of **keeping workers with disabilities employed, carrying out preventive actions and promoting their integration into the workplace.** Taking such an approach benefits everyone as well as the Company's performance and includes:

- offering employment opportunities for individuals with disabilities;
- changing how we look at disability by raising awareness among employees throughout the year and by reinforcing the training of managers and trainers;
- taking action to include and retain employees with disabilities and maintain them in their jobs by supporting them and providing adjusted work solutions or specially adapted workstations;
- mobilising all actors by improving awareness of collective agreements and of measures in favor of the workers concerned (local disability correspondent, social service, medical service, human resources function, management, employee representatives and employees) and by setting up preventive measures.

On a global level subcontracting with sheltered workshops is one aspect of the Company's commitment for the social and occupational inclusion of disabled people. Other initiatives dedicated to people with disabilities are in place at regional level. For example, in South America specific training and mentoring programs are in place, as well as dedicated listening groups for people with disabilities and the translation in sign language during main events. In North America the The DIVERSE•abilities Network is one of the company's Business Resource Groups (employee-led groups that promote a diverse and inclusive workplace) that aims to support employees with disabilities and employees who are caregivers of family members with disabilities, by providing resources, training and development programs. Furthermore, the DriveAbility program in North America and Autonomy Program in Europe and Brazil are two examples of programs designed for customers with special mobility needs ([see section 4.1.7 >](#) for further details).

Learning and Awareness

Within the former FCA and PSA organizations, ongoing education programs have been in place and ongoing as Stellantis. We seek to engage and involve our employees in our Diversity and Inclusion actions and to nurture a diverse workforce. For example, recent training on the 'Prevention of Sexual Harassment at work (PoSH)' was mandated across the FCA organization. Within PSA organization, a new training program was deployed globally to address the issue of stereotypes and discriminatory behavior, which was a commitment of the **"Motivation and Well-being at work" agreement with social partners**. Using augmented reality technology, the key themes of sexism, working parents, age and invisible disabilities were addressed.

In line with the Global strategy, a program of learning and awareness is underway, with e-learning on key Diversity and Inclusion topics available to all employees, with a specific provision via Linked In Learning for our Management population. Other learning activities are also underway, including Conferences with external speakers and Leadership Roundtables. Work is ongoing on the creation of a bespoke Stellantis Diversity and Inclusion education and awareness program, to be made available to all employees globally, including specific content for the onboarding of new hires.

Intercultural Program

As a truly global organization, it is important that we can provide employees with opportunities to develop their knowledge and skills on working in a multicultural environment. **We have created an internal information hub dedicated to Intercultural Awareness**, with access to a range of information and resources. Employees have also attended Masterclass to learn more about the cultures of specific countries within the Stellantis scope.

Employees have ongoing access to the 'Country Navigator' tool, which provides employees with the knowledge, skills and confidence to effectively communicate and collaborate with global colleagues, enabling a truly borderless workplace.

Mentoring and Development programs

Across the Company, we offer Mentoring and Reverse Mentoring programs to support employees' personal and professional development.

Within South America, in 2020, a specific program was run in Brazil with the aim of supporting women in preparing for a leadership position. Following positive feedback, in 2021 the program has been extended three other employee groups: employees from diverse ethnic groups, members of the LGBTQIA+ community, and employees with a disability.

In North America, Stellantis offers several development programs to prepare emerging diverse talent for leadership opportunities. For example, the award-winning Women's Leadership Experience, launched in 2018, will continue with enhanced content. Two additional programs, focused on Black and Multicultural talent, launched pilot programs at the end of 2021. Furthermore, Business Resource Groups worked closely with HR teams to create and roll out specific mentoring programs designed to bring together employees based on common heritages and ancestries. These programs continued in 2021. Business resource groups manage these dedicated mentoring programs, for example the Asians Connected Together, Latins in Connection and Middle Eastern Employees Together Groups, pairing leaders and employees who can share experiences and support developmental activities through the lens of shared cultural backgrounds.

Inclusive Leadership self-assessment

During the 3rd quarter of 2021, North America region launched a self-assessment for all leaders. This self-assessment provided leaders with baseline measurements of inclusive behaviors, to include receptiveness (how curious and accepting is the leader), reflection (how self-aware and transparent is the leader) and revitalization (how Inspirational and Empowering is the leader). Aggregate data results with high-level insights on strengths, opportunities, and recommendations on improvements were communicated to Leadership. Based on the aggregate results, a learning and development plan will follow in 2022.

Employee Voice

Employee Resource Groups

Across the Stellantis organization, local operations have established **Employee Resource Groups who contribute to the local efforts on Diversity and Inclusion**. As we continue to share best practice across the organization we aim to expand certain networks as a priority ([see section 3.3.6](#) >).

In the UK, RUOK? (Are You OK?) is an employee-led group, created to support the mental health and well-being of employees through raising awareness, providing information and resources, and removing the stigma associated with mental health by providing the space and time, and encouraging conversation around mental well-being.

Courageous Conversations

In North America, employees are invited to participate in “Courageous Conversations” – **open and sometimes challenging discussions surrounding social issues**. The sessions are led and facilitated by Company leaders who guide participants in open dialogue. The goal of these sessions is to help one another be more open to listen, learn and contribute to an inclusive workplace where respect for ethnicity, gender, and cultural differences can flourish. Through the end of 2021, more than 130 volunteer facilitators were trained and 2,000+ employees participated in these important conversations, which will continue in 2022. In the 4th quarter of 2021, a new initiative called Conscious Choices was launched, expanding on the concept of Courageous Conversations by bringing together employees in a small cohort to participate in a facilitated session over a six-week period to discuss topics such as unconscious bias, microaggressions (commonplace daily verbal, behavioral or environmental slights, whether intentional or unintentional, that communicate hostile, derogatory, or negative attitudes toward stigmatized or culturally marginalized groups.), equity and inclusive language.

Employee Survey

In order to assess the impact of our Diversity and Inclusion strategy and action plans, a global employee survey will be launched at the beginning of 2022, which will gather employee feedback in relation to Diversity and Inclusion within Stellantis in addition to assessing employee motivation and well-being.

Whistleblower Line

The Company is committed to maintaining a working environment **free of bullying, sexual and non sexual harassment, victimization and discrimination**. Employees are regularly informed of this policy and those who have experienced or witnessed acts of workplace harassment, discrimination or bullying are encouraged to report this through a number of reporting channels, including their direct supervisor/Line Manager, the Human Resources function, the Compliance or Legal Departments, and a dedicated Whistleblower Line (for more information, [see section 3.1.7](#) >). **Cases are investigated via the Company's disciplinary and grievance procedure.**

In 2021, a total of 1,077 cases via the helpline and via other channels 891 cases of workplace harassment, discrimination or violence were processed.

3.3.8 DETAILED KEY PERFORMANCE INDICATORS

3.3.8.1 Top executive by age and gender

2021	Up to 30 years			31 to 50 years			Over 50 years			Total		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Top Executive Team	0	0	0	1	7	8	5	24	29	6	31	37

CEO, SVPs and Deputies are not appearing in the table above

3.3.8.2 Ethnicity

Stellantis in North America

2021	% of employees
White	38.8%
Black/African American	27.7%
Asian / Pacific Islander	2.2%
Hispanic / Latino	2.6%
American Indian / Alaskan Native	0.2%
Do not wish to identify	28.5%

GRI 102-8

3.3.8.3 Workforce by geographic area, gender and age¹

(number of employees)

2021	Women				Men				Total	Total
	Up to 30 yo	31-50 yo	Over 50 yo	Total	Up to 30 yo	31-50 yo	Over 50 yo	Total		
Enlarged Europe	2,864	16,572	8,659	28,095	9,707	62,295	50,710	122,712	150,807	
North America	3,820	12,576	6,212	22,608	12,743	33,102	22,836	68,681	91,289	
South America	1,515	3,116	187	4,818	5,199	16,626	2,709	24,534	29,352	
Middle East & Africa	729	502	49	1,280	2,676	1,838	189	4,703	5,983	
China and India & Asia Pacific	192	732	40	964	655	2,324	221	3,200	4,164	
Total	9,120	33,498	15,147	57,765	30,980	116,185	76,665	223,830	281,595	

GRI 405-1

GRI 405-2

3.3.8.4 Workforce by geographic area, gender and type of contracts¹

(number of employees)

2021	Women			Men			Total
	Fixed-term contract	Permanent contract	Total	Fixed-term contract	Permanent contract	Total	
Enlarged Europe	2,087	26,008	28,095	4,866	117,846	122,712	150,807
North America	2,932	19,676	22,608	6,864	61,817	68,681	91,289
South America	135	4,683	4,818	808	23,726	24,534	29,352
Middle East & Africa	339	941	1,280	2,286	2,417	4,703	5,983
China and India & Asia Pacific	114	850	964	455	2,745	3,200	4,164
Total	5,607	52,158	57,765	15,279	208,551	223,830	281,595

3.3.8.5 Workforce by geographic area, gender and category¹

(number of employees)

2021	Women			Men			Total
	Blue Collars	White Collars	Total	Blue Collars	White Collars	Total	
Enlarged Europe	14,133	13,961	28,094	78,236	44,477	122,713	150,807
North America	18,480	4,128	22,608	52,624	16,057	68,681	91,289
South America	2,855	1,963	4,818	19,173	5,361	24,534	29,352
Middle East & Africa	417	863	1,280	3,053	1,650	4,703	5,983
China and India & Asia Pacific	23	941	964	418	2,782	3,200	4,164
Total	35,908	21,856	57,764	153,504	70,327	223,831	281,595

¹ Includes 2,101 employees representing 0.7% of the total headcount, even if they belong to legal entities that are not managed within the HR consolidation tool that are not considered in other workforce KPIs.

3.3.8.6 Nationality by category and gender

(number of nationalities)

GRI 202-2

Categories	Women	Men	Total nationalities by category
Blue collars	81	130	134
White collars	100	143	149
Total nationalities by gender	124	163	170

3.3.8.8 Female / male wage¹ ratio by category and geographic area²

2021	Enlarged Europe	North America	South America	Middle East & Africa	China and India & Asia Pacific	Total
Blue collars	0.94	0.96	0.92	0.92	N.A.	0.94
White collars	0.91	0.97	0.9	0.71	0.85	0.91

¹ Annual basic salary (annual gross wage)

² Only significant countries (over 300 employees in the category measured)

3.3.8.7 Employees with disability by category, geographic area and gender

(number and % of employees)

2021	Enlarged Europe		North America		South America		Middle East & Africa		China and India & Asia Pacific		Total		Total
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	
Blue collars	1,135	4,283	249	2,424	114	1,043	2	5	—	—	1,500	7,755	9,255
White collars	416	1,122	91	364	23	76	3	11	—	2	533	1,575	2,108
Total	1,551	5,405	340	2,788	137	1,119	5	16	—	2	2,033	9,330	11,363
%	Women (%)	Men (%)	Women (%)	Men (%)	Women (%)	Men (%)	Women (%)	Men (%)	Women (%)	Men (%)	Women (%)	Men (%)	100%
	22%	78%	11%	89%	11%	89%	24%	76%	0%	100%	18%	82%	

3.4 HEALTH, SAFETY AND WELL-BEING IN THE WORKPLACE



3.4.1 CONTEXT AND STELLANTIS POSITION

GRI 102-43 | GRI 103-1

Employee workplace well-being, health and safety is an increasing societal demand and a top priority for Stellantis. We attend to employee safety and well-being by applying a methodical approach that involves stakeholders, employees, employee representatives, the medical community and management.

There are mandatory training and certification requirements targeted to operations and facilities. We provide health and safety protocols and recommendations regardless of where the workplace is located, on-site, home or remote working locations.

We innovate by challenging the status quo, such as remote working encouraged where applicable to reduce CO₂ emissions associated with employee commutes and to expand well-being in the workplace, improve efficiency and quality of life by encouraging work-life balance.

The current COVID-19 crisis highlighted the commitment, the robustness, and the ability of the Health and Safety community to provide the relevant recommendations, based on the best knowledge available, to the leaders and managers to address an unprecedented threat. This commitment, robustness and ability are in place to

relentlessly address each issue related to health, safety and well-being with the same methodology, striving to offer safe and best in class working conditions to everyone, everywhere, every day.

One of the goals to promote health and safety is to prevent illness clusters from the COVID pandemic, including the exposure during the commute by public transportation. Evolving high level sanitary protocols based on World Health Organization recommendations supported by occupational physicians were implemented since the COVID-19 crisis began. Likewise, communication and management have been adapted to limit exposure to COVID and to address the decrease in morale of employees because of lockdown periods.

The merger of PSA and FCA required the harmonization of the Health and Safety systems of each company to create one seamless system. Alignment of the health and safety policy and processes, and adjusting safety standards ensured best practices of each company were realized. The **Global Care Management System** is the outcome of bringing together the best of both companies' practices.

In a nutshell our Well-being, Health and Safety policy embodies our Corporate Values by supporting the "working together" ("We Win Together" Value) and the sustainable performance of our Company ("We care for the future" Value).

Company's public position

The Company allocates resources (e.g. standards, safe equipment and workstations, people, employee assistance programs) for **an overall health approach that goes beyond health at work and contributes to healthy choices and lifestyle**. It supports the "Healthy Workplaces" initiative promoted by the European Union and the World Health Organization (WHO), as well as similar initiatives in the U.S. Stellantis's commitment is demonstrated in the Well-being, Health and Safety policy, as well as in several collective bargaining agreements.

3.4.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #7 well-being, health and safety in the workplace</p> <p>Owners Chief Human Resources and Transformation Officer</p> <p>>>></p>	<p>Create a safe and engaging work environment promoting employees' health and well-being at work for a greater work life balance</p>	<p>Lost-time injury frequency rate [LTIR /1,000,000 hwkd]</p>	<p>2024: <1</p>	<p>2030: <1</p>	<p>2040: <1</p>	<p>1</p>

3.4.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

3.4.3.1 Risks

The safety obligation is no longer understood only as an obligation for the employer to ensure the **physical safety of employees** (work accidents and occupational diseases). It has widened and now includes the **protection of all the risks** to which an employee could be exposed as a result of his/her mission, **including protection from psychosocial risks.**

For a company, Health and Safety performance at work has a direct impact on employee absenteeism and thus on the ability to operate and on labor costs through lower productivity (loss of working time, cost of occupational illnesses...).

It can also affect the Company's reputation, impact staff morale or increase operating costs through fines and other contingent liabilities.

With the COVID-19 crisis that touched every part of the world with significant consequences in communities, but also on the business, requiring the adoption of new protocols and ways to work. Business impacts of increasing health costs, absenteeism and mental illness made it necessary to be innovative and agile to mitigate these risks.

The Company's actions and innovations to mitigate these risks

Stellantis is committed to prevent health and safety risks at work of employees by preventing fatality, disability, injury and illness; by completing risk analysis to identify workplace hazards and potential exposures, implementing containment and countermeasures to permanently reduce the identified risks; by promoting health and safety to support and enhance a healthy and engaged workforce; by empowering everyone, so that each contributes to improving the workplace and by deploying an effective management system to provide strong standards, measure our results and impacts and support our continuous improvement (see 3.4.6 > and 3.4.7 > for more details.)

Lost Time Injury Rate by geographic area

(per 1,000,000 hours worked)

2021	Enlarged Europe	North America	South America	Middle East & Africa	China and India & Asia Pacific	Total
Total	1.5	0.6	0.9	0.5	0.2	1

Fatality accidents

2021	Number	Rate
Total workforce	1	0.0021

In addition, the Company innovated to mitigate the increased risks for health and safety of its employees due to COVID-19 crisis.

Taking into account the critical nature of the risks posed to the Company, the first and immediate actions were for the **prevention of transmission of the COVID-19 among our employees and their loved ones**. We defined global Stellantis governance with our physicians and health leaders from all regions to build common health protocols and unique protection measures. **Weekly COVID-19 Committees bring together Stellantis physicians and Corporate and regional health leaders to monitor the situation and take common decisions**. At the operations level, daily crisis cell meetings addressed concerns and issues. Concerns were processed by specific and multidisciplinary working groups that were referred to the COVID-19 committee, allowing reactivity, global vision and efficacy in the decision process.

The Stellantis team followed the evolution of the pandemic to adapt our actions. We used weekly Global and local reports about cases among our employees and the level of absenteeism to assess the impact of our actions and adjust them if necessary. **Our Stellantis protection measures were often stricter than the ones defined by the local authorities**; we claim this difference as a demonstration of the care we bring to each employee.

Acceptance of the COVID-19 protocols by our employees has been a key lever of the prevention measures effectiveness. Easing of measures was done, when possible, by examining local situations and changing the central guidance. Changes to measures were explained through discussions with managers, unions, health and safety professionals, and other stakeholders.

Vaccination against the COVID-19 is one pillar of our policy to protect employees and allow the business to run. Stellantis supported local vaccination policy and enabled employees to be vaccinated, through government vaccination programs, or, when possible, through internal vaccination centers (France, Germany, Italy, India, Brazil, and U.S.).



At the Mirafiori facility in Turin, Italy, an internal COVID-19 Vaccination HUB opened in mid-June. The vaccination campaign offered COVID-19 vaccines to employees who requested to be vaccinated. This campaign successfully vaccinated approximately 1,000 employees, the vast majority with the required 2 doses for the chosen vaccine. The vaccination hub was built within the Mirafiori facility, following the directions of competent authorities with the resources of the Well-being Health and Safety (WHS) Central Staff, nurses, and a group of competent doctors. The vaccination activities proceeded at a fast pace following the planning shared with the competent regional authority resulting in positive feedbacks from the employees who used it.

Stellantis provided our employees with a dedicated app to ensure their self-monitoring protocol was completed daily, where it was possible register for vaccinations and tele-monitor suspected and confirmed cases.

Stellantis common requirements, designed by an international teamwork, are the common rules to be applied everywhere, even if the local regulation is less strict.

We provide the regional Chief Operations Officers and the Chief Human Resources and Transformation Officer weekly reports about the pandemic worldwide and the health situation of Stellantis employees, including number of active cases.

Being successful in protecting our people and promoting health and well-being is a question of policy and commitment but also of structured and efficient actions. A global management system, whose principles and tools are also integrated in the **Stellantis Production Way system** (for more information, [see section 3.4.7 >](#)), is built to define common processes and requirements, follow the implementation, supported by training and learn from our failures. (for more information, [see sections 3.4.5 >](#) and [3.4.7 >](#))

At the heart of the crisis, at the beginning of 2021, Stellantis Health services implemented a survey on mental health, stress, well-being and motivation in 19 countries in Europe. Results have been shared in every country and action plans are implemented under the responsibility of the country management. The survey showed that:

- the main determinants impacting Stress are: Time constraints / over-investment at work / interruptions of activity;
- the main determinants impacting Motivation are: Career evolution / Concern for Well-being / Equity;
- short work impacts motivation highly and with less intensity Stress.

Addressing the main concerns of the workforce allows to strengthen health, well-being and motivation.

In recognition of structural changes in the economy brought about by the COVID-19 crisis, we recognize that employees who were forced to work at home reported that the lines between work life and home life can blur. The New Era of Agility (NEA) ([see section 3.2 >](#)) also provides guidelines to be respected that put a framework in place to define the differences between work and personal time. **NEA is a great opportunity to promote work-life balance and flexibility across the various regions.** This transformation project has visibility outside the Company and this program strengthens our reputation and attractiveness to potential employees.

During the COVID-19 pandemic and the shift to remote work for many employees, necessary actions were deployed to maintain social networks, advise our employees on physical and mental health issues and to identify and support any individual difficulty.

3.4.3.2 Opportunities

The Stellantis Well-being, Health and Safety policy is based on the conviction that our actions have a significant impact on many critical domains. It is a fundamental aspect of our social responsibility towards our employees and all the people working in our facilities as well as the mark of the Company's respect for each of the individuals who are part of it:

- **bringing to life the Well-being, Health and Safety policy** can improve the social climate and embodies our corporate values and its impact on our people's feeling of belonging;
- **taking care of our people and acting to reduce injuries** has direct and positive consequences on absenteeism, which is important for all our operations;
- **acting to promote well-being and motivation** through global and local actions is also a strong lever to improve productivity, quality, innovation, and the capability of our workforce to adapt positively to current and future challenges we will have to face and changes we will have to create.

The Well-being, Health and Safety commitments and actions strengthen our reputation internally and externally and help to attract and retain key talents and skills. Our actions on those domains also protect the Company and its top managers from compliance issues and potential litigation or penalties.

3.4.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2 | GRI 403-1 | GRI 403-8 | GRI 413-1

The governance process is overseen by the Strategy Council. In monthly Business Reviews the results related to Health and Safety are presented and discussed with the analysis of the impact on operations.

The Corporate Well-being Health and Safety (WHS) organization ensures proper coordination of WHS activities, processes and targets throughout the regional Stellantis Organizations. In each region a Well-being, Health and Safety leader is appointed and is in charge of contributing to the global policy, implementing the actions, supporting the operations in the region and providing the regional top management with results and analysis. Because the Health and Safety domain is part of the **Stellantis Production Way management system** (for more information, [see section 3.4.7 >](#)), key indicators of the manufacturing operations include the Health and Safety related indicators, among which Total Recordable Injury Rate, Lost Time Injury Rate and absenteeism rate. The proactive approach to Health and Safety will be tracked via the “Care Index” measuring the level of maturity of Health and Safety System Implementation in our sites.

Dialogue concerning improvement of employee health and safety with employee-representative bodies, in accordance with current laws and the collective bargaining agreements, has continued.

During the year, due to COVID-19, there were dedicated discussions with employee representatives regarding the application of preventive measures by following specific guidelines in the workplace. These continuing meetings have led to adjustments to COVID-19 protocols in order to update them based on the latest information from recognized health authorities.

In North America (U.S. and Canada) weekly meeting to review changes in employee safety activities, procedural updates, and other opportunities for improvement is undertaken by the Joint Health and Safety Committee comprised of representative of Management and Labor Union.

In most host countries, joint management-worker organizations are in charge of monitoring the application of employee health and safety practices. **95% of Company employees are represented by 306 joint management-worker health and safety committees.**

3.4.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-1 | GRI 103-2 | GRI 403-4 | GRI 403-6 | GRI 403-8

The Well-being, Health and Safety policy is defined as part of the Human Resources ambitions for Stellantis. Acting in a proactive mode and building our Well-being, Health and Safety program will be a competitive advantage for the Company.

We aspire to achieve World class levels of Health and Safety for everyone, everywhere, every time.

We act to:

- prevent fatality, disability, injury and illness;
- promote health and safety to support and enhance an healthy and engaged workforce;
- empower everyone so that each contributes to improvement of the workplace;
- deploy an efficient management system to provide strong standards, measure our results and impacts and support our continuous improvement.

In order to life up to our Health and Safety policy Stellantis created a well-being and motivation program, labeled “We All Care”, based on 5 pillars that highlight the priority levers on which to act. This program was built based on a deep analysis of best practices and studies and identification of our organizational strengths:

- **physical:** actions focused on safety, physical health promotion, health support, and sport promotion. It also includes our ergonomics commitments to prevent occupational illness such as musculoskeletal problems in the workplace;
- **social:** creation of positive and supportive relationships at work through belonging, events, and a Stellantis Volunteer Program to encourage and enable our employees to address community needs and foster employee engagement in the community in which they live. Through our New Era of Agility Project ([see 3.2.7 >](#)) that redefines the balance between remote work and work in the office. Work spaces are recreated so time spent together has the highest social and collaborative impact. Finally, this pillar embodies our actions to promote our diversity and support multicultural education;
- **professional:** provide training, and in some cases retraining, to support our employees in acquiring skills critical to building the future of the Company, while also building sustainable and attractive career plans;

- **emotional:** focus on actions related to success and belonging, promotion of work life balance and flexibility of working time, especially through our New Era of Agility program. Improve understanding of mental health issues and the prevention of the psychosocial risks;
- **financial:** actions related to reward, recognition, compensation and benefits policy, and the communication methods to explain it.



The five We All Care pillars also serve as the foundation of our Well-being Health and Safety (WHS) management system known as the Global Care Management System (GCMS). **This integrated management system ensures that well-being, health, and safety is considered, planned for and implemented every day.**

It is inclusive of Stellantis operations and includes specific requirements for manufacturing sites, which are contained in the fundamentals of the Stellantis Production Way (SPW) health and safety domain (see 3.4.7 >). Management at all levels of the Company works to ensure compliance with the principles stated in the health and safety policy, with a mindset of continual improvement.

To create awareness, promote well-being, health and safety and engage our employees, Stellantis initiated the WE ALL CARE days.

This event launched at the end of October 2021. There was a set of actions organized at the Corporate and Regional levels involving plants and sites all over the world, to highlight the Company commitment on Well-being, Health and Safety (WHS). We communicated the new WHS Policy and addressed topics such as COVID-19, Safety at Work, Occupational Risks, Musculoskeletal Diseases, Mental Health, Well-being at work and remote work. There were several webinars and onsite actions. For example safety talks were conducted in North America that impacted approximately 62,500 employees and onsite actions including COVID-19 Audit/PPEs Actions and other topics had approximately 4,373 participants in South America.

The corporate WHS policy states: "...we aim for the highest possible levels of health and safety for every-one, every-where and every-time. Our objective is to avoid any work-related injury, death, disability, accident or illness for every individual working for our company: employees, temporary employees and contractors." **Majority holding joint ventures are included in our safety performance tracking and adopt**

common policies and processes. Visitors receive information on arrival to a site regarding the health and safety rules they must follow; close working relationships, with safety performance tracking, are established with temporary employment agencies in order to ensure temporary employees receive appropriate training before arriving on site. This is supplemented with on site training. Contractual obligations for minimum safety standards are established with contractor companies that can only work on site after risk assessments and method statements have been completed to ensure their interaction with our operations will not create additional hazards. **Audits on contractor activities are routine practice.**

With the Global Care Management System, Stellantis is compliant with the occupational health and safety recommendations of the International Labor organization (ILO-OSH 2001) and performs its obligations in all countries. Encompassing ISO 45001 requirements, the GCMS is a means to assess, monitor, and manage risks systematically.

42 European plants have an Occupational Health and Safety Management Systems certified according to ISO 45001:2018 standard. Due to the replacement of OHSAS 18001 with the ISO 45001:2018 standard, the migration activities was concluded in September 2021.

The South America region has 10 plants of which 8 ones operating in 2021 are certified to the ISO 45001 standard.

The North America region operates under ISO 45001 certification for all manufacturing locations. The enterprise certificate is issued by third party auditors and covers Health and Safety, as well as Environment (ISO 14001) and Energy (ISO 50001). Joint Health and Safety Committees are in place at our represented facilities.

Worker representatives are involved in Stellantis health and safety processes.

Areas where worker representatives participate in health and safety processes include, but are not limited to, incident reviews, job risk analysis, safety observation tours and periodic health and safety reviews. Where there are formal joint management-worker health and safety committees, there are no bargaining unit workers that are not represented by these committees.

Example: In the United States, the Local Joint Health and Safety Committee meets on a weekly basis. This committee reviews any incidents that may have occurred along with the root cause and countermeasures implemented to prevent a recurrence of the incident. Status of safety related training is reviewed, as well as any required monitoring.

The COVID-19 crisis has been the first big Health and Safety issue worked on with health and safety specialists from the entire Stellantis scope. It has served as an opportunity to build strong partnerships, network, and to have common, efficient protocols. The resultant “**Stellantis COVID-19 Prevention Principles**” were communicated throughout the organization and have defined requirements, but also the criteria and description of progressive adjustment of those measures when pandemic trends improved. The best of what had been done by the previous organizations was integrated to build a safer future and was an important step toward fulfilling our Health and Safety policy.

Health and safety agreements/ Promotion of health social dialogue

Stellantis is committed to implement the best occupational health and safety standards and practices, and has made health and safety a top priority. This commitment is demonstrated in the Well-being, Health and Safety policy, as well as in several national Company agreements with employees representatives. Each year, health and safety agreements are signed in the countries where the Company operates. **30 health and safety agreements were signed in 2021.**

3.4.6 ORGANIZATION AND RESOURCES

GRI 103-2 | GRI 103-3 | GRI 403-2 | GRI 403-3 | GRI 403-4 | GRI 403-5

Motivation and Well-being at work

The Stellantis Well-being Health and Safety (WHS) organization is staffed with professionals dedicated to their field. The WHS team is deployed around the globe to implement the ideals of the Wellness, Health and Safety policy at the corporate, region, country, cluster, and site levels. The varied skill sets of Stellantis WHS professionals cover the entire scope of WHS services at the appropriate levels, with responsibilities ranging from technical safety to wellness, and ergonomics.

Ergonomics: strong asset

The team of **80 Stellantis ergonomists** works with the objective of promoting ergonomics to improve overall efficiency within the Company. This team is divided into three teams:

- the Trade Ergonomists team is responsible for standards development and ensuring the deployment of the Company’s guidelines and tools;
- the Project Ergonomists team works with Manufacturing engineering to ensure that ergonomic standards are met when purchasing and installing new equipment and new programs;
- the Site Ergonomists team analyzes and improves ergonomics at their respective facilities.

The objective of each team is to design a user interface adapted to physical capabilities, to prevent the deterioration of working conditions and its consequences both on individuals (e.g. health, particularly musculoskeletal diseases) and on the related costs for Stellantis (loss of full-time equivalents, cost of occupational diseases, etc.).

Medical resources

Stellantis Health teams are dedicated to the care of employees while respecting their right to confidentiality and professional secrecy. The Health related information collected through internal occupational Health services is kept under the responsibility of the physician in charge, supported by the country Health coordination. Many countries implement an IT solution to store them, implement and monitor the Occupational Health processes. **Each IT solution is compliant with the country regulation.**

Fulfilling requirements of local regulations, that differ from country to country, a team of **488 physicians and 527 nurses focus on prevention, occupational follow-up, emergency care and health promotion.** No matter if legally required local workers at all Stellantis sites have access to medical resources. Stellantis believes that health has to be taken as a holistic matter and achieving occupational health goals requires improvement of the comprehensive health of the employee.

Prevention covers the activities dedicated to occupational risks and exposure assessment related to any health consequence from work activities. Occupational follow up includes monitoring, examinations to check for exposure consequence, assess fitness to work and any potential limitations. It includes individual follow up by physicians, trained nurses, physiotherapist, and/or psychologist to take into account early symptoms before requiring long or complex treatment and fosters sustainable employability.

Emergency care is organized in every facility with internal resources or external support to address critical medical situations.

Training and prevention programs

Based on accident analysis and risk assessment, specific training programs are developed and deployed at all sites. **In 2021, 363,410 hours of training were dedicated to safety and, in addition, 259,517 hours of training in the COVID-19 health protocol were delivered before returning to work.**

Since the beginning of the pandemic, most of our Health promotion activities have been targeting COVID-19 and some of the consequences like Mental Health, lack of physical activity, remote work and sedentary.

Musculo skeletal disorders are the most common work related issues. To prevent them, a comprehensive program is implemented. This program takes in account the workstation and product design, ergonomic assessment and improvement, risk factors avoidance, but also occupational health follow-up, fitness to work process, out-patient clinics, and strategies to take in account early discomfort felt during work. On the other hand, the health promotion and physical activity promotion programs are implemented.

Deafness and noise prevention is based on the implementation of the risk assessment, communication about the risk level and the protective equipment to get protected from them. Risks reductions programs, as well as medical surveillance are implemented.

Related illnesses to Asbestos are outcomes of past exposures.

And the last main types of work-related ill health is others including **carrying heavy loads**. Each work related illness lead to a comprehensive root causes analysis and related action plan to avoid other cases to occur.

363,410

Training hours dedicated to safety

2,000 managers received the training “Creating the Conditions for Sustainable Performance”, designed to provide the necessary awareness on psychosocial risks, and leadership behaviors necessary to associate a high level of demand and change with concern for the well-being of each team member.

Regarding COVID-19 in Italy, the Organismo Paritetico Health and Safety (OPHS) is an unrecognized association pursuant to art. 36 of the Italian Civil Code. The OPHS was able to carry out training activities in the Health and Safety area which, despite the COVID-19 crisis, continued according to schedule.

Audits

COVID-19 audits are an important tool not only to check the implementation of prevention measures and the way issues are fixed, but also provide good understanding of the priorities of the Company. In the COVID-19 crisis, audit has been implemented at many stages, from the readiness of the facilities to safely welcome employees to the sustained implementation of prevention measures. The COVID-19 audit program (with 100 questions covering the full array of COVID-19 protocols) provided the impetus to fix issues discovered related to the prevention protocol implementation. We deployed those audits on sites with the support of local teams (dedicated auditors in each site) but also auditors from the regional Health and Safety teams and from the Compliance Organization. Employee representatives were also involved in this process. **In 2021, a total of 553 COVID-19 related audits have been implemented worldwide.**

In North America, COVID-19 audits have been conducted since the start of the pandemic by a multifunctional team including the corporate audit office, Health and Safety, Operating Management, and Labor Union representatives to assure protective measures and consistent compliance with a robust program of protective measures and hygiene.

Health and Safety Audits, after a pause in 2020, began again in 2021. Though the audits once again took place, they were conducted somewhat differently. Due to the pandemic, portions of all audits were completed through virtual interfaces. Some management system audits were completed entirely over an internet connection and tools like google glass and GoPro cameras. **Due to the success of these virtual audits, Stellantis will continue to integrate the use of web tools to conduct health and safety audits, though certainly there are audits that will require an in person experience.** Done properly, virtual or in person, audits find not only potential deficiencies, but also best practices to be shared throughout the organization.

3.4.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3

GRI 403-2

GRI 403-5

GRI 403-6

GRI 403-9

Manufacturing System Integration

During 2021, the World Class Manufacturing (WCM) methodologies and tools, including a Health and Safety pillar, adopted throughout the former FCA, and the Production Excellence System, implemented at former PSA sites, were thoroughly revised and merged to create the new Stellantis Production Way (SPW).

In the SPW, Health and Safety remains a fundamental pillar, dedicated to improving health and safety in a systematic manner by involving the entire manufacturing organization and encompassing all phases of production.

It includes a combination of preventive measures and collaboration of employees. Employees are involved through training that focuses on the importance of safeguarding health and safety; complying with policies and procedures; and promoting appropriate prevention behaviors across all organizational levels and roles. They are also engaged in initiatives designed to increase safety awareness and participate in a comprehensive system for gathering feedback and suggestions. Useful and implementable ideas are put into practice, shared across multiple facilities, with the project owners recognized for their involvement.

The SPW Health and Safety applies risk identification and assessment, both on a routine and non-routine basis, with the purpose of singling out major risk areas and implementing preventive action plans. Risk areas include physical, ergonomic, chemical and psychosocial risks. The Hierarchy of Controls methodology is then used to determine the proper countermeasures.

The Stellantis Well-being, Health and Safety commitments (our “We All Care” program) have been summarized in a document signed by all the Executive Vice Presidents to highlight their support regarding those priorities for the Company. This document has been communicated internally to the Stellantis employees.

Moreover, from the creation of the Company, the protection of people from transmission of the COVID-19 crisis was the first message sent to all employees by the Chief Human Resources and Transformation Officer in February 2021: “Our priority is to protect our employees. It is our number one priority”.

Health

- **COVID-19** has been the main concern of this first year of the new Health Team of Stellantis. Common principles, rules, and tools based on the proven knowledge were devised to protect the employees, monitor potential failure in our prevention measures, to correct them if necessary, and adapt the measures as required by local situations. Beyond this, our ways of interacting with people had to change taking into account the new reality. Remote appointments, electronic surveys, and dedicated apps became the method of choice to be in contact with employees, especially COVID-19 highly vulnerable ones. Stellantis made vaccine available to our workforce and their families, directly on site or indirectly with external partners, as soon as it was possible. Despite vaccine hesitancy being a challenge in countries where vaccines are largely available, corporate Well-being Health and Safety Health professionals continue to work within their local community to provide relevant information to promote vaccination.
- Health teams were committed to promote and support **psychosocial risks and mental health prevention programs**, especially for those who had to work remotely on a permanent and mandatory basis.
- Daily activities progressively took their place again in the schedule of the health teams, such as **MSD (musculoskeletal disorders) prevention** and sustainable employability promotion program.
- **Chemical risk** management involved a network of specialists and stakeholders to have a comprehensive vision of the products used within the Company, with the appropriate risk assessment, prevention measure and plan to reduce the risks to the lowest level, including a structured substitution policy.
- **Ergonomic evaluation** and rating tools for our repetitive workstations is required in Stellantis plants. Ergonomic tools have a common principle - to measure the difficulties and the risk level for each workstation and to detect factors with the greatest risk of causing musculoskeletal disorders. To ensure the most advanced methods and tools are used, some Stellantis Ergonomists are involved in technical boards for the scientific evolution of risk assessment tools and participate in ergonomic committees to develop and revise national and ISO standards. These tools also allow us to carry out workstation mapping in project mode and in everyday life at all manufacturing sites to identify the risk level on a competitive

method of approach - taking this into account as a baseline for every new project.

Stellantis introduces new technologies to serve our objectives:

- **facility enhancements**, such as rotating carriers and adjustable skillets to eliminate overhead work, improving operator posture and center of vehicle reach to strengthen capabilities;
- where no conventional process solution is possible, exoskeletons can help reduce the physical burden of certain tasks. Benchmarking with collaboration across regions in the area of **wearable Exoskeleton technology** was completed to investigate potential future applicability. Manufacturing tryouts with exoskeletons have been performed in 11 sites of the Company;
- **a thermography, infrared camera image**, pilot study applied at a south American Stellantis plants is a project that aims to prevent musculoskeletal injuries through early diagnosis. The basis of the project is that the inflammatory processes show signs such as heat, redness, edema, pain or loss of function that occurs before the employee feels pain. The body increases blood flow and heats the area. This allows identification of a predisposition to injuries in asymptomatic employees;
- **a new Ergonomics Laboratory "ErgoLab"** has been set up in the Mirafiori plant, in Italy, with the aim of supporting plants worldwide, Manufacturing engineering sector and designers by providing them with reliable information and data to design technological systems and ergonomic workstations according to the ergonomics principles and the requirements of legislation. ErgoLAB activities will ensure the validation of new innovative technologies and their introduction based on scientific investigation for Stellantis;
- in North America, Stellantis maintains a United States Council for Automotive Research (USCAR) affiliation with other automotive manufacturing OEMs to advance research and technology within the field of ergonomics. **Collaborative research projects to advance efficiency and accuracy of digital human model simulation software tools**, methods and standards development is also supported.

Safety

Following a benchmarking exercise, Stellantis adopted the globally recognized OSHA measure of Total Recordable Injury Rate (TRIR) as the master safety KPI, supported by: Lost Time Injury Rate (LTIR); Days Away, Restricted & Transferred Rate (DARTR) and Total Injury Rate (TIR).

**At December 31, 2021
Total Recordable Injury rate was**



A **program of serious injury and fatality elimination** is strategically overseen at a global level and promoted by the development of common global standards for high-risk activities and the implementation of Global "Call-to-Actions", charging all sites with the **implementation of common action plans to eliminate and control such high-risk hazards.**

Hazards are systematically identified through workplace and task risk assessments and subsequently controlled. **Workers are trained to identify and report, to their line supervisor, any situation that they consider could create harm.** If a response is not forthcoming for the line supervisor, workers may raise their concerns with a H&S professional or their employee representatives.

To support the policy of reporting hazards, the corporation communicates via the Stellantis Production Way - "Can Do" booklet and other global communication forums the three essential behaviors for safety:

- Stop if you are not trained for a task or if your safety is at risk;
- Speak Up and intervene if you have a concern for anyone's safety;
- Listen if someone shows concern for your safety and resolve the concern together.

At a local level, **sites have completed risk assessments for workstations and tasks that promote application of the hierarchy of controls.** They review those risk assessments after incidents and injuries occur. At a regional and global level, standards are developed that sites must assess their conformance to and progress plans to close non conformance. These standards define actions in line

with the hierarchy of controls and are support by good practices. **The main types of work related injuries were, Laceration, primarily Finger and hand injuries, 2. Contusion 3. Strains and strains from slip/trip and fall.**

High severity, low probability type hazards are identified proactively through risk assessment and reactively as a result of either a high potential incident or a high-consequence injury.

For Example:

- fall from heights;
- interaction with suspended loads;
- interaction with moving machinery and powered industrial Vehicles.

A global Call to Action is in progress, across all Die and stamping shops, to verify and improve controls regarding the use of cranes to maneuver dies. The actions are coordinated globally, to identify and share the good practices, following the hierarchy of controls, in order to prevent the worker from needing to enter the "danger zone". Such actions include assessment and correction by design of the dies in order to avoid difficulties to position dies; use of crane and vision technology to improve accuracy of crane maneuvering; refresher training for operators and increased audits of operations.

In North America, updated in 2020 and launched in 2021, Serious Injury and Fatality (SIF) and precursor (pSIF) programs continue to be utilized to identify near miss events and activities/conditions that could lead to more serious impact, correcting or eliminating practice and conditions ahead of injury. This process tied with Artificial Intelligence (AI) will enable the North American Operations to predict and prevent risk to employees. Other initiatives have included piloting wearable technology to perform digital remote auditing. This is possible with Bluetooth technology and the use of wearable video cameras. Site audits can be performed with less labor and travel. Expertise can be consulted from thousands of miles away globally. This process was first used in our Windsor Assembly Plant Safety Audit. It is a good use of time, effort and resources.

Severity rate by geographic area

(days lost due to injury per 1,000 hours worked)

2021	Enlarged Europe	North America	South America	Middle East & Africa	China and India & Asia Pacific	Total
Total	0.12	0.04	0.04	0.01	0.01	0.07

Well-being

The Stellantis **holistic Well-being Program** presents our common commitments wherever we operate. This **We All Care** (see section 3.4.5 >) Program is based on five pillars (Physical, Emotional, Social, Professional and Financial) and gives a common framework and ambition for the numerous actions that already exist in the regions and countries. This program includes the main changes linked to the New Era of Agility Project and the positive impact on work life balance and flexibility of work.

Establishing a collaborative work method is incorporated into the social dialog and applies to workspaces as well as the expansion of remote working. The goal is to offer more flexible work arrangements without damaging collective productivity. The New Era of Agility program allows employees to remote work up to 70% (for more information, see section 3.2.>). This allows employees to work from home or another location. **Achieving a good work-life balance leads to better performance and prevents stress.** Capitalizing on that, the Company willingly offers employees part-time schedules or teleworking arrangements when this is feasible. Where possible, the Company approves employees' requests to work part-time. The aim is to devise suitable solutions, such as part-time by the day or half day, part-time in hours, etc. **Part-time hours are chosen by employees and are not imposed by the Company.** In 2021, the Company had 15,056 part-time employees worldwide (including 2,637 employees who worked half-time), distributed as follows: 43% women and 57% men.

Part-time employees by geographic area, gender and age group¹

(number of employees)

2021	Women			Men			Total
	Up to 30 yo	31-50 yo	Over 50 yo	Up to 30 yo	31-50 yo	Over 50 yo	
Enlarged Europe	354	2,557	663	956	2,067	1,479	8,076
North America	1,284	1,399	209	2,045	1,785	232	6,954
South America	-	1	-	4	4	1	10
Middle East & Africa	-	12	1	-	1	-	14
China and India & Asia Pacific	-	1	-	-	-	1	2
Total	1,638	3,970	873	3,005	3,857	1,713	15,056
Of which half-time employees	219	751	126	615	681	245	2,637

In 2021, overtime accounted for 5.99% of hours worked in the Company with a total of 475,066,778 working hours.

To be able to assess the impact of our Well-being and Motivation Program “We All Care” a common survey for the all Stellantis perimeter was developed that will be launched in the second quarter of 2022. It will allow the measurement of the level of motivation, well-being and stress and result in customized programs based on the survey responses.

Team Building activities organized by departments and employee clubs sponsored by the Company, and organized employees to join in some social volunteer activity.

¹ Includes 2,101 employees representing 0.7% of the total headcount, even if they belong to legal entities that are not managed within the HR consolidation tool that are not considered in other workforce KPIs.

Sport, Fitness and Nutrition engagements

To support our workforce in a healthy lifestyle is beneficial for the individual, the Company and society. Stellantis therefore offers a variety of health trainings, nutrition programs, sports groups, training facilities and coaches.

North America StayWell Program (Nonsmoking, blood pressure , Sportgroups, Football club)

South America: nutrition support in both Health care assistance, gympass program.

In France, Stellantis sponsors access to more than 50 sports and cultural events to its employees. The aim is to keep employees healthy and help the practice of sport and cultural activities in several disciplines, as well as leisure, training and business competitions activities.

Workplace social services for employees

The main role of social workers is to facilitate job integration by assisting employees dealing with issues in their personal and/or professional life that are having an impact on their occupation. Social services are a place to discuss issues and be listened to. They also provide specialist advice to managers, and help implement the corporate social policy.

Stellantis provides a hotline for employees with possible face-to-face follow up. Each region has its own programs that are tailored to the specific needs of the region.

Workplace social services are provided to all employees through a network of 144 internal and external social workers at office and manufacturing facilities. In North America Stellantis offers off-site Family, Health and Wellness Centers to provide medical care for our employees and their families as well as on-site Health Coaches.

3.4.8 DETAILED KEY PERFORMANCE INDICATORS

GRI 403-9 GRI 403-10

3.4.8.1 Absenteeism¹ by geographic area and type of benefits

2021	Sick leaves	Maternity and paternity leaves	Occupational and commuting accidents	Other absences excluding vacations	Total
Enlarged Europe	9,333,229	1,155,202	369,746	3,294,095	14,152,272
North America	5,504,884	202,012	237,642	7,766,077	13,710,615
South America	2,469,604	16,507	5,939,574	8,678	9,442,048
Middle East & Africa	131,072	30,609	1,067	152,475	315,223
China and India & Asia Pacific	72,086	79,879	364	147,458	299,787
Total	17,510,875	1,632,772	6,548,393	12,227,905	37,919,945

¹ Number of hours of absence excluding vacations

3.4.8.2 Number of Work Related and Non-Work related Injuries by geographic area

2021	Enlarged Europe	North America	South America	Middle East & Africa	China and India & Asia Pacific	Total
Total	776	881	140	45	7	1,849

3.4.8.3 Serious injuries

2021	Total
Total Serious Injuries (30 Days or More)	95

3.4.8.4 Occupational Accidents

2021	Number	Recordable Injury Rate
Total	1,849	3.8

3.4.8.5 Occupational Illnesses by type of illness

(Stellantis worldwide)

2021	Number of occupational illness
Musculo-Skeletal Disorders (MSD)	555
Carrying heavy loads	5
Deafness	17
Asbestos	21
Other	42
Total	640

3.4.8.6 Occupational Illnesses Frequency Rate by geographic area

2021	Enlarged Europe	North America	South America	Middle East & Africa	China and India & Asia Pacific	Total
%	1.23	2.24	0.07	0.2	0	1.32

3.4.8.7 OHS certification

2021	certified OHSAS18001 or ISO45001 by third party body	internal OHSMS implemented
No. of sites	95	563
No. of audits carried out	104	410

3.4.8.8 Ergonomics works stations

Type of work station	%
Heavy work stations	3%
Light work stations	56%
Total	21,829

3.4.8.9 Workers covered by an occupational health and safety management system

2021	Number of employees covered	% of employees covered
Occupational H&S management system	211,458	98%
OHS management system internally audited	140,157	90%
OHS management system audited or certified by an external party	93,995	88%

3.4.8.10 Health Service

(internal and external)		
2021	Internal (employed)	External (contracted)
Doctors (Physicians)	93	395
Health professionals (nurses)	247	280
Number of social workers or equivalent service	47	97
Ergonomists	65	34

3.4.8.11 Health Service

2021	%
Sites with on-site medical service	92.89%
Employees covered (with internal or external health service)	98.66%

4

MEETING CHANGING CUSTOMERS' EXPECTATIONS ON MOBILITY (MARKET RISKS)

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STELLANTIS' CSR MACRO-RISK/PILLAR III. MEETING CHANGING CUSTOMER EXPECTATIONS ON MOBILITY (MARKET RISKS)

The automotive market is faced with competition from established players as well as newcomers in the mobility sector, in particular digital and tech companies. It must take into account a variety of different needs and evolving contexts, considering trends such as increasing urbanization and traffic congestion, the need of customers to find mobility solutions going beyond vehicle ownership, and the contributions that technologies can provide to road users in terms of experience and safety. All these elements affect automakers strategy, operations and results as are assessed and challenged by customers and other stakeholders.

Stellantis understands these requirements and pays close attention to the mobility trends. We intend to provide opportunities for consumers by developing new mobility solutions with high-quality products and services with the goal to execute flawless customer relationship management.

To meet market expectations, the Company's processes and decisions are customer-focused, to design affordable, reliable, safe and high-quality products and services and complementary solutions to meet mobility needs around the world.

4.1 DEVELOPMENT OF NEW MOBILITY SOLUTIONS (INCLUDING AUTONOMOUS VEHICLES)



4.1.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

CSR ISSUE/CHALLENGE #8: Development of new mobility solutions (including autonomous vehicles)

Social, environmental and technical evolutions impact customer mobility behavior and expectations. According to a [2019 Forbes article](#), vehicles which were traditionally perceived as a tangible asset, are now more likely to be seen as a mobility device, especially by groups such as Millennials and Generation Z who are less interested in owning or driving a vehicle, for economical or ecological reasons and due to their specific mobility needs.

This evolution has particularly accelerated in recent years and has been embraced by more than just young generations of customers. Due to long periods of confinement during the COVID-19 crisis in many countries and the extensive deployment of remote work, 2020 and 2021 showed a completely different approach to mobility, with consequences that might have a significant impact in the years to come.

At Stellantis, we are aware of these challenges and our business model includes mobility service offerings with Free2move and Leasys, the mobility service company of FCA Bank – the equally held joint venture between Stellantis and Crédit Agricole. These services aim to provide customers with mobility solutions to make their lives easier. We are also working on new small electric mobility object, such as the AMI which expands practical and affordable personal mobility options for a larger potential market and provides a canvas for future logistics and delivery services.

We continue the research and development of technologies in order to develop future mobility options including means of transport such as driverless autonomous vehicles.

Company's public position

The importance of individual choice over freedom of movement and flexible mobility means that vehicles have an important place today and in the future. Vehicles play a major role in a multi-modal ecosystem that aims at optimizing the efficiency of transport systems, particularly outside cities where alternative solutions are not always available. New uses and therefore new services are being created.

Shared mobility services as well as Mobility as a Service (MaaS) platforms will get more efficient as the level of driving automation increases. The purpose of Stellantis: "Powered by our diversity, we lead the way the world moves" means that we want to ensure freedom of movement by providing safe, sustainable, affordable and convenient mobility solutions. This is reflected in the Company's approach toward connected and autonomous mobility: a gradual development to ensure that reliability and safety requirements are met, and to ensure affordability so that all our customers and society at large can benefit from it. The Company is aware of these needs and shares its expertise with stakeholders, experts and regulators in the development of the appropriate standardization and regulatory framework. Local governments play a significant role in their climate-neutral and smart cities mission and Stellantis collaborates with these local authorities to expand their sustainability strategies. Stellantis is involved in dedicated conversations with local institutions for business opportunities aimed at promoting the kind of regulations needed to support mobility programs.

The Company is working on a variety of Vehicle to Vehicle/Vehicle to Infrastructure (V2X) applications using both short-range and long-range technologies as well as ADAS (Advanced Driver Assistance Systems) applications using a wide array

of technologies in order to provide connectivity and safety to all its customers. Therefore, Stellantis is supportive of in-vehicle data access based on the Extended Vehicle, as defined by various ISO Standards, and is in the process of developing a fully industrialized Extended Vehicle Web Server allowing fair, reasonable, non-discriminatory safe and secure access to vehicle data in full compliance with ISO standards.

In line with the Company's strategic vision to be not only a vehicle manufacturer but also a mobility services provider, Stellantis is implementing a complete automation roadmap from Level 1 and 2 to Level 4 (driverless vehicles), based upon clear use cases and customer requirements. We are enhancing the set of features already offered at Level 2 and launching hands-off technology in the U.S. (usually called Level 2+).

Level 3 is already under development and the Company sees, beyond Level 3, application of Level 4 technology mainly for shared mobility services like autonomous shuttles, robotaxis, and automated goods delivery.

To support the growing level of autonomy and the high safety demands connected with these technologies, the Company is investing in very advanced simulation/validation methods and creating synergies by pooling databases of relevant safety scenarios and data collected from real world driving conditions, integrated into a state-of-the-art Data Platform.

In addition, our software strategies will support the shift to become a sustainable mobility tech company, leveraging the associated business growth with over-the-air features and services, and delivering the best experience to our customers.

4.1.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #8 Development of new mobility solutions (including autonomous vehicles) Owners Brand Chief Executive Officer, Free2Move Chief Executive Officer, Leasys Chief Software Officer >>>	Lead innovation for Mobility As A Service to support freedom of movement with affordable, safe and sustainable mobility solutions	% of Low Emission Vehicles (below 50g CO ₂ per kilometer) infleeted in the year for car sharing / short and medium term rental / subscription / long term rental (lease)	2025: 40%	2030: 60%	2038: 100%	12.8%
		% Revenues from Low Emission Vehicles (below 50g CO ₂ per kilometer) within Mobility (incl. EV solutions + Data Service) and Rent (car sharing/ short and medium term rental / subscription / long term rental (lease))	2025: 20%	2030: 40%	2038: 80%	5.5%

4.1.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

4.1.3.1 Risks

Our teams are focused on developing solutions to avoid or mitigate risks on the emerging mobility ecosystem:

- **Rapidly changing customer expectations**

We are devoting research and innovation resources to address changing consumer expectations driven by growing demand for safety, convenience, mobility-as-a-service, connectivity and quality time. Our ability to develop and launch products with new technologies (e.g., electrification, autonomous driving and connected vehicles) to meet regulatory requirements and customer expectations is constantly challenged by technical limitations due to changes in public policies and strong validation efforts needed to ensure availability of systems at a certain time frame.

- **Deterioration or disappearance of vehicle brands in favor of new mobility brands**

The automotive industry is in the process of a fundamental transformation and vehicle brands are facing challenges posed by disruptive patterns in mobility choices. In some cities vehicle ownership is restricted due to traffic congestion and strains on local infrastructure. As automakers navigate this new mobility landscape and play a role in actively shaping this change, it will require the evolution of a century old business model shifting from traditional ownership to customer driven, flexible mobility solutions.

4.1.3.2 Opportunities

At the same time, this changing mobility landscape opens opportunities for Stellantis.

Mobility transformation is driven by three key trends: electrification of vehicles and alternative powertrains, connected and autonomous vehicles (CAVs) and Mobility-as-a-Service (MaaS). We embrace the challenges posed by this evolution seizing the many opportunities that will invariably accompany change. Stellantis is committed to delivering on our electrification plans, the acceleration of autonomous vehicle and connected technologies, and the continued work in developing and defining MaaS offerings through both our Free2move and Leasys services. Advanced autonomous and connected

technologies will continue to drive increasing levels of safety with technology that allows users to stay continuously connected while on the move and continued deployment of driving assistance systems (ADAS) foreshadowing the autonomous vehicle.

- **Provide freedom of movement through global mobility brands and enhance the image of the company**

As our two mobility brands, Free2move and Leasys bring to Stellantis and its vehicle brands a positive image of flexibility and agile thinking, in line with both current trends and future customers' needs. Free2move and Leasys are working to define those services that not only meet the needs of individuals and businesses today but also to anticipate the use cases that will drive tomorrow's mobility.

These brands are responsive to B2B and B2C customers in search of change, in a society that is reinventing itself. The continued evolution and adoption of the technologies that enable mobility services and partnerships with other global mobility providers will enhance the perception of Stellantis and its core automotive brands.

- **Leverage fleet electrification and infrastructure to meet consumer demands and regulatory emissions objectives**

With electrification at the forefront of the global strategy of Stellantis, a significant increase in the availability of public and private charging networks is required to enable wide-scale adoption and increase consumer confidence in EVs.

Stellantis through Free2move and our Free2move eSolutions is working to provide end-to-end charging and 360° charging solutions to simplify private, business and fleet customers charging experience. Through deployed mobility services such as the Free2move and LeasysGO! Car Sharing operations, Stellantis will continue to increase the mix of EVs as a percentage of our active fleets.

As governments adopt policies favorable to electrification, Stellantis can rise to meet the needs and objectives of these programs. As an example, the adoption by the European Commission of "Fit for 55" supports the on-going work of Free2move eSolutions in the first **EV Fastcharging Network** in Southern Europe enabled by renewables, energy storage and which is 100% grid integrated.

- **Increase deployment of connected and autonomous vehicle technologies**

Bringing together expertise in consumer innovations from the sustainable mobility and advanced electronics industries aims at accelerating development timelines to offer innovative in-vehicle user experiences enabled by advanced consumer electronics, Human Machine Interfaces and services that will exceed customer expectations.

This combination will position the Company at the forefront of global efforts to deliver a new frontier of in-cabin information and entertainment capabilities, seamlessly connected inside and outside the vehicles in which they are installed.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



EV adoption can be accelerated by Stellantis mobility services to facilitate the use of EVs and to foster customer acceptance. Stellantis automotive subscription programs such as Leasys CarCloud, Free2move Car on Demand, and MYFREEDOM enable customers to experience an EV on a month-to-month basis. Stellantis Car Sharing programs such as LeasysGO! and Free2move Car Sharing provide additional opportunities for consumers to experience an EV on a short-duration basis as we continue to increase the mix of EVs in these fleets. Free2move and Leasys are also working to facilitate the charging experience. Through Leasys, customers can recharge for free at any Leasys Mobility Store, and the service Free2move Charge My Car enables users to find a compatible and available charging station from a European network of approximately 250,000 charging stations.

Sustainable mobility goes beyond simply the electrification of the fleet and seeks to align the diverse needs of a community with an inclusive, affordable approach which maximizes the utilization of existing assets. Both Leasys and Free2move have developed pay-per-use models where consumers and businesses pay for actual miles driven. Combined with asset sharing programs this has the double benefit of lowering mobility costs for our customers and maximizing vehicle utilization.

These initiatives have met with favorable market response and in 2021 the number of infleeted LEVs was 51,187 representing 12.8% of total vehicles infleeted in the year. The development of LEVs through Stellantis mobility brands enhances the ability to respond to evolving customer expectations and supports environmentally conscious consumers looking for alternatives to car ownership. Electrification also enables the emergence of new services, such as the already available Citroen Ami. These services are further reinforced through our Free2move eSolutions Joint Venture with NHOA (F2MeS). This partnership is already in the process of developing a fast charging network in Europe which will reinforce the synergy between electrification and mobility services (for more information, see section 2.5.3.2.3 >).

4.1.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

Stellantis' portfolio is uniquely suited to offer distinctive, sustainable mobility solutions to meet its customers' evolving needs, as they embrace electrification, connectivity, autonomous driving and shared ownership.

The Company's mobility programs are led globally by the CEOs of Free2move and Leasys, both EVPs of Stellantis and members of the Top Executive Team.

Each of the two organizations is responsible for setting overall strategies to address the needs of our customers through hypothesis, testing, implementation and adaptation. Stellantis Business Labs organization is designed to detect, test and transform opportunities into marketable products and services for Stellantis including the recently launched Free2move Car On Demand and MYFREEDOM programs in the U.S.

Autonomous vehicle programs are jointly led by the technology EVPs (Chief Technology, Chief Engineering and Chief Software Officers) all members of the Top Executive Team. Investment decisions are considered by the Strategy Council of Stellantis. The Board of Directors is informed of the advances that the Company makes on autonomous technology. With support of the global leadership, each region is responsible for adapting global strategies to align with the local context.

A dedicated Software division led by the Chief Software Officer, member of the Top Executive Team, supports the shift to become a sustainable mobility tech company and to expand the options customers have to add innovative features and services, while transforming how they interact with vehicles.

The Chief Software Officer operates in a very close cooperation with the Chief Engineer Officer and the Chief Technical Officer to plan, design and deliver technical solutions to customers.

4.1.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

Stellantis is a world leader dedicated to promoting a new era of sustainable mobility and to protecting the freedom of movement of all - with distinctive, affordable and efficient transportation solutions uniquely positioned to capture the exciting opportunities of a global industry undergoing rapid and profound change.

Guided by our Corporate Purpose - Powered by our diversity, we lead the way the world moves -, our strategy combines technological development with the expansion of mobility services offered to our private and business customers to address their evolving needs.

We embrace a culture of discontinuity to leverage our combined 200 years of automotive experience as a backdrop to innovation which pushes the definition of the traditional automotive company towards a world of dynamic change. While the technologies that underpin the rapid change in automobiles continue to mature, we must rethink the way in which our customers and stakeholder access and interact with transportation systems.

Mobility services support our climate neutrality ambition

Within the context of global climate change challenge, both Free2move and Leasys believe that the mobility industry has a responsibility to minimize its CO₂ footprint and recognize their responsibilities, as leading mobility operators, to lead the transition towards a more sustainable mobility system.

Free2move and Leasys recognize the necessary shift from Internal Combustion Engine vehicles towards alternative, electric powertrains in support of the targets set by the Paris Agreement as well as the climate-related United Nations' Sustainable Development Goals. They embrace these international goals and, with the aim to reduce substantially CO₂ emissions, are committed to contribute to consumers' transition towards cleaner technologies and therefore, ultimately, to the long-term sustainability of their activities.

Both Free2move and Leasys operate LEV-rich car-sharing platforms (fully electric in the case of LeasysGO!; full electric in Europe and ICE in the U.S. for Free2move) providing a fully-digital and electric urban alternative. In the same way, LEVs are

available through several automotive subscription programs providing an ideal opportunity for consumers to test these emerging technologies. Leasys is dedicated to support enhancing the charging experience by providing free electric recharges across their expanding charging networks, and Free2move is providing access to a network of 250,000 charging station in Europe. These examples are a testimony of Free2move and Leasys sense of responsibility and determination to contribute and accelerate the on-going transition to electric, more sustainable, forms of mobility. Refer to [section 4.1.7](#) > for more information on these initiatives.

4.1.6 ORGANIZATION AND RESOURCES

GRI 103-3

Stellantis offers a wide range of affordable mobility services in response to the new uses and different mobility needs of businesses and individuals. These services are proposed through Free2move, Leasys and their partners.

4.1.6.1 Free2move and Leasys: the brands dedicated to connected and mobility services

GRI 103-2

Stellantis delivers mobility offers through Free2move and Leasys devoted to putting the customer experience at the heart of business strategy in order to reinvent mobility and facilitate the transition to E-mobility.

Free2move is the mobility tech brand offering a complete and unique ecosystem for its private and professional customers around the world and specifically in Europe and U.S.. Relying on data and technology, the digitization of services allows Free2move to adapt to large urban centers according to the needs of each user. By creating Mobility Hubs, Free2move provides a new ecosystem that improves mobility conditions for B2C and B2B2C customers. Among the different travel solutions of the Free2move application, users can choose the best mode of transportation, depending on their travel need: car sharing, rental from 1 minute to several months, car with drivers (VTC ride), parking space etc.

To meet businesses needs, Free2move has consolidated cutting-edge expertise around data through digital technology. The services reduce the total cost of

ownership (TCO) and carbon footprint of their fleet (Connect Fleet, PHEV Connect, E-Mobility Advisor, Multi brand services). Free2move has also developed a range of solutions to support customers in the transition towards the use of EVs (i.e., Charge My Car, All-e and future developments around fast charging and V2G). In September 2021, Free2move was awarded by Frost & Sullivan the New Mobility Marketplace Company of the Year, for its innovative solutions and platform that enables operators to provide end customers a fully integrated experience and freedom to access all transportation modes from a single platform.

Leasys has more than 800 dedicated employees and delivers mobility solutions from one minute to a lifetime. Leasys' offer has expanded in recent years to include a broad range of services addressing the specific needs of B2C and B2B customers. Leasys' product development has been awarded by "Product of the Year" for the last three consecutive years in the Automotive Services (Italy) category. The sustainability of Leasys' offer is represented by inclusive solutions making its mobility offer increasingly accessible through products designed for discontinuous drivers (pay-per-use solutions such as Leasys Miles or subscription programs such as FlexRent), as well as curious drivers (subscription programs such as CarCloud). These innovative solutions add to the comprehensive range of short-medium-long term rental products and services that have made Leasys the leader of the Italian long-term-rental market.

Mobility business accelerating

Both Free2move and Leasys are accelerating their growth. For Leasys, the recent acquisition of short-term rental operations in the UK and the initiation of business operations in Portugal and Denmark. In January 2021 LeasysGO! began service in Turin (Italy) and subsequently expanded operations in Milan and Rome as the Company's fully-electric digital car-sharing platform.

Free2move is continuing to develop its mobility offers in the U.S. through the opening of Mobility Hubs in Washington D.C., Portland, Denver and Austin. In 2021, Free2move has continued to launch its all-inclusive Car On Demand monthly car subscription without commitment in Europe and is now present in France, Spain, Portugal, Italy, UK, Germany and Los Angeles, while also supporting the growth and expansion of Free2move eSolutions and the deployment of the largest fast-charging network in Southern Europe.

4.1.6.2 Autonomous Driving

GRI 103-2

In this new era of mobility, Stellantis portfolio of brands is uniquely positioned to offer distinctive and sustainable solutions to meet the evolving needs of customers, as they embrace electrification, connectivity, and autonomous driving.

Autonomous vehicle technology demonstrates the ability of vehicle systems to take over an increasing number of tasks which are currently performed by the driver. The Society of Automotive Engineers (SAE) developed a classification system that defines the degree of driving automation a vehicle and its equipment may offer.

The levels span from zero to five, with it ranging from vehicles without this technology to entirely self-driving vehicles.

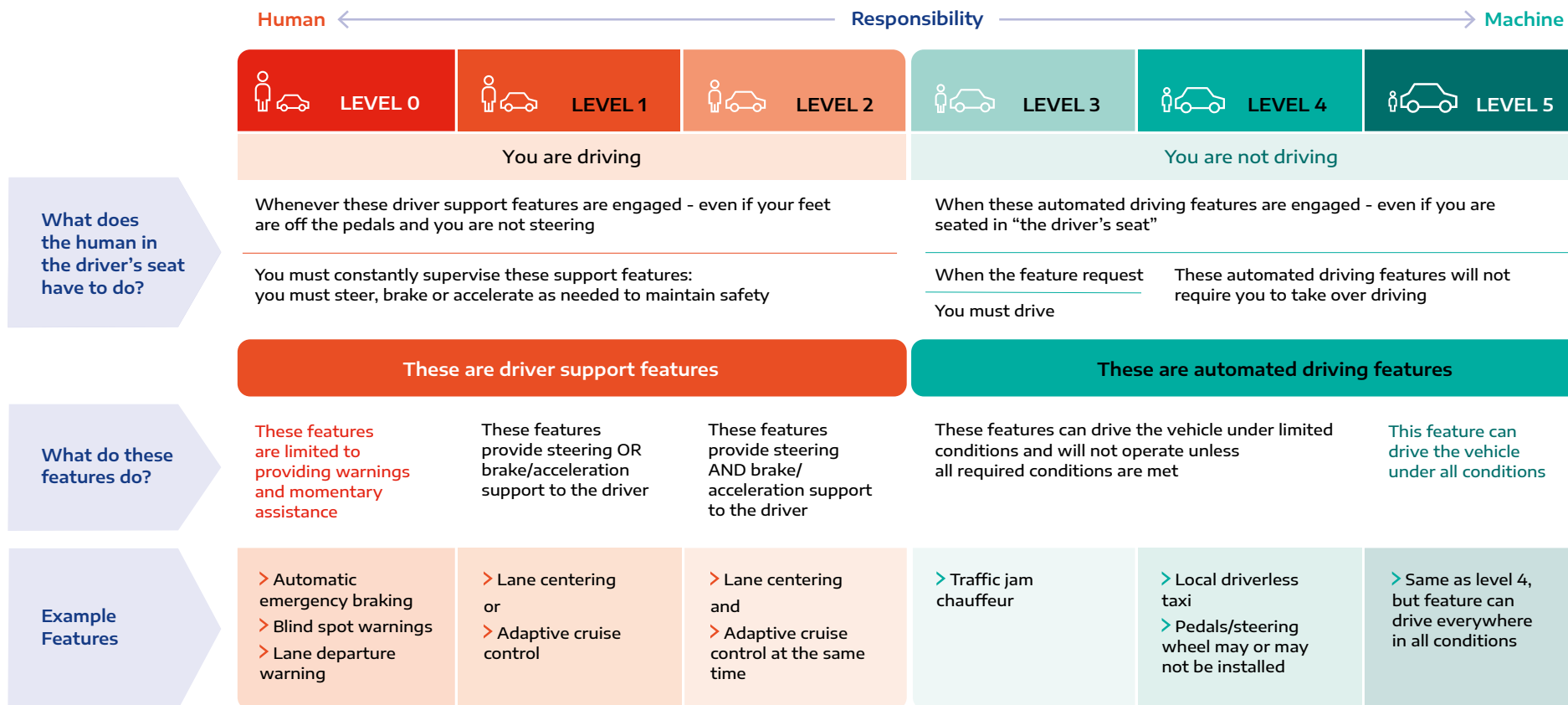
To offer new services that improve the mobility experience and provide greater access to affordable solutions, the Company organization is set up to pursue a multi-partner strategy for developing advanced driver assistance and autonomous driving technologies, working with leaders in their respective industries.

Taking into account the challenges and opportunities presented by the advances in autonomous driving and connectivity, we are devoting resources to research and develop an approach to address changing consumer expectations driven by growing demand for safety, convenience, connectivity and quality time.

Our ongoing partnerships include major technology players in autonomous driving.

In 2021 we further strengthened our ongoing partnership in the area of Automated Driving:

- the co-development project with BMW of a platform scaling from L2 to L2+ and L3, has been extended up to 2024 to include not only the launch of our products but also a roadmap of additional functionalities that we will be able to distribute to customers via Over-the-Air updates;
- the Waymo cooperation on L4 autonomy has been extended to include Light Commercial Vehicles specific use cases, which will bring several new business opportunities to the market. Stellantis and Waymo have now expanded their partnership to local delivery services. Engineering teams will get their hands on Stellantis prototypes in 2022.



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In addition the new non-binding memorandum of understanding signed with Foxconn aims at developing four families of chips that will cover over 80% of the Company's micro-controllers' needs, helping to greatly simplify the supply chain. Adoption and installation of products into Stellantis vehicles is targeted by 2024.

Several projects running on autonomous driving technologies, validation and safety involve many important research institutes (i.e., SystemX and VEDECOM in France). We can also leverage on majors cooperative projects in the field of ADAS, Autonomous Driving and V2X such as L3Pilot (level 3 driving pre-deployment project,

see box in section 4.1.7.3 >), HiDrive (in use monitoring of driver for L3), C-ROADS (V2X) in Europe, successors of PEGASUS (Set L4to5, etc.), Imagine (V2X) in Germany, SAM (Scenario database for ADAS and Autonomous driving L3) in France.

In addition, the Joint Research Laboratory (Joint LAB), with Valeo and SAFRAN on Artificial Intelligence for Driving Automation (L2/L3) is noteworthy among our research partnerships, while further contracts and studies are ongoing with several startups and in the domain of ADAS, AD and AI.

New Tech Platforms Coming in 2024

The heart of the transformation to customer-centric services is the new electrical/electronic (E/E) and software architecture.

Three new tech platforms are expected to be deployed in 2024, at scale, across the four vehicle platforms of Stellantis over the following two years:

- STLA Brain planned to be fully OTA capable, with 30 modules addressed, versus 10 today, making it highly flexible. It is a service-oriented architecture that aims to be fully integrated with the cloud that connects electronic control units within the vehicle with the vehicle's central high performing computer (HPC) via a high-speed data bus. It is designed to break today's bond between hardware and software generations, enabling software developers to create and update features and services quickly without waiting for a new hardware launch. These OTA updates should allow to dramatically reduce costs for both the customers and Stellantis, simplify maintenance for the user and sustain vehicle residual values.
- STLA SmartCockpit, to be built on top of STLA Brain, is intended to seamlessly integrate with the digital lives of vehicle occupants to create a customizable third living space. This platform, powered by the Mobile Drive joint venture between Stellantis and Foxconn, is expected to deliver AI-based applications such as navigation, voice assistance, e-commerce marketplace and payment services.
- STLA AutoDrive is being developed in partnership with BMW, to offer Level 2, Level 2+ and Level 3 autonomous driving capabilities and with continuous upgrades through OTA updates.

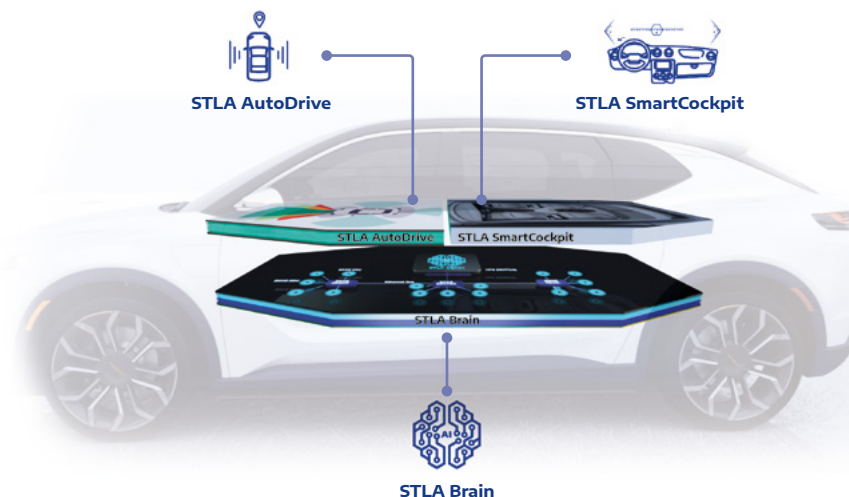
COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



To support the development of mobility services, including via autonomous driving, Stellantis ambitions to deploy its next-generation tech platforms, building on existing connected vehicle capabilities to generate approximately €20 billion in incremental annual revenues by 2030.

This transformation will move Stellantis' vehicles from today's dedicated electronic architectures to an open software-defined platform that seamlessly integrates with customers' digital lives.

Stellantis New Tech Platforms



4.1.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-2

4.1.7.1 Overall Mobility Solutions and Services

In 2021, the following main initiatives contributed to the Stellantis results in offering products tailored to stimulate customers' approach to the new electric technologies as well as to facilitate that experience while guaranteeing maximum flexibility to reassess their needs at any time.

Follow more details for a selection of mobility solutions and services offered by Stellantis.

I need a car



CUSTOMIZED AND AFFORDABLE TRANSPORT SOLUTIONS

Rental / Subscriptions	Urban mobility / Urban car-sharing / Ride hailing
<p>Free Floating Car Sharing</p> <p>Rent Short-term rental service</p> <p>LEASYS CARCLOUD Monthly car subscription, un-limited changes of vehicle at any Leasys Mobility Stores, flexible with no time commitment</p> <p>LEASYS CARBOX On-demand car subscription up to 240 days (fixed monthly fee)</p>	<p>Carsharing LEASYSGO Urban car-sharing, 100% digital and electric</p> <p>Ride Ride ride-hailing driver reservations</p> <p>Car Sharing Peer to Peer t-Link LEASYS I-SHARE Platform where visibility of vehicle is restricted to a group of "friends" defined by the driver Leasys I-Share corporate car-sharing</p>
<p>Car On Demand Monthly car subscription without commitment</p> <p>FLEXRENT 30 FLEXRENT 90 Flexible car rental for 30 or 90 days</p> <p>LEASYS MILES Leasys Miles Pay-per-use long term rental, monthly fee varying with mileage</p>	
<p>LEASYS UNLIMITED Long-term rental product with unlimited mileage for LEV vehicles</p> <p>Lease LEASYS Long term rental services for corporate and private customers</p>	

MAKE LIFE EASIER

Mobility services/ Assistance and maintenance	Traffic management / Charging options
<p>Park 500 000 parking lots in 65 countries</p> <p>LEASYS I-CARE Telemaintenance Maintenance warning service Leasys I-Care Digital application for monitoring of fleet performance and preventive maintenance</p> <p>umove Drivers' APP to access all Leasys products and services, access e-charging infrastructure and interaction with Leasys</p> <p>Uconnect Uconnect cloud-based platform to power connectivity, offering a full array of services and deliver an enhanced user experience</p>	<p>All Accessing a home charging stations</p> <p>E-Mobility Card Leasys e-Card Enables activation of a wide range of charging stations including, free of charge, Leasys e-parking charging points</p> <p>eParking Charging station at Leasys Mobility Stores, dedicated parking and free electricity</p> <p>Charge My Car 250,000 terminals in Europe</p>
<p>TomTom TomTom Traffic Connected Navigation</p>	<p>Smarter Cities</p>

BUSINESS SOLUTIONS

Fleet solutions
<p>Mobility Advisor Advice solution for corporate transition to electric mobility</p> <p>Lease LEASYS Long term rental services for corporate and private customers</p> <p>Connect Fleet Fleet handling for PHEV, for medium-sized and large business</p> <p>LEASYS MY-LEASYS B2B and B2C platform monitoring of vehicle's performance, preventive maintenance, broad range of customer services</p> <p>LEASYS I-QUOTE B2B platform enabling large corporate's internal customers to configure their vehicle.</p>
<p>TomTom TomTom Telematics</p> <p>MICHELIN CONNECTED FLEET Masternaut (Fleet Management)</p>

Services Developed by Stellantis

Partnerships

4.1.7.1.1 CUSTOMIZED AND AFFORDABLE TRANSPORT SOLUTIONS



F2M MOBILITY HUB: The complete collection of F2M services offered to customers through a Mobility Hub provides a full spectrum ecosystem that is flexible to meet nearly any mobility need (by the minute, by the day and by the month).

The combination of services also simplifies access to additional services to support a consumers' journey such as the reservation of parking spaces, car with drivers (VTC Ride), access to EV charging stations etc., all accessible either on the website (link) or via the Free2move mobile app in 170 countries:

- **Carsharing**
Car-sharing: In Madrid, Paris, Portland, Washington D.C., Denver, and other cities by the end of 2022, it is possible to locate more than 2,200 cars in an instant.
- **Rent**
Rent: In more than 170 countries, relying on its network of franchisees, dealers and partners, Free2Move provides access to more than 450,000 vehicles on a daily rental basis.
- **Car On Demand**
CarOnDemand: For even more flexibility, Free2move offers its customers a sSubscription service that allows them to rent vehicles of multiple brands on a monthly basis and without any time commitment. In 2021, this service was available in France, Spain, Belgium, Portugal, UK, Italy and Germany in Europe and in Washington D.C., Portland, Denver and Austin in the U.S through the Mobility Hubs and in Los Angeles.



FLEXRENT

Leasys CarCloud / CarBox / FlexRent: Flexible subscription programs that allow clients to pick up and drop off vehicles in different cities and choose the most suitable vehicle for their needs among the models offered in their subscription package.



LeasysGO!: The first car sharing service dedicated to the electric New 500. It's a free-floating car sharing: free parking without restrictions linked to the charging stations, and with the process to charge the electric New 500 managed by the Leasys team. LeasysGO! is available in Turin, Milan and Rome (Italy) with a total fleet of over 1,000 cars. The service is expected to be launched in other European countries as well, such as France. LeasysGO! also offers a sharing service to and from the main Italian airports. Customers will be able to pick up or drop off their cars at the airport's Leasys Mobility Store car parks or at locations dedicated to car sharing without any extra charge for the service.



Leasys Miles: Pay-per-use long term rental where monthly fee is made of a fixed element plus a variable element based on the number of kilometers actually driven. A product designed for the low-mileage consumer that can enjoy lower cost together with the full services offered by a professional mobility operator.



Leasys Unlimited: Designed for the electric consumer of today and tomorrow, Unlimited is a long-term rental product fully serviced and including unlimited mileage and re-charges at the network of Leasys Mobility Stores. Leasys Unlimited guarantees peace of mind for the intensive use of electric and plug-in hybrid vehicles.



Leasys I-Link: Peer-to-peer car sharing platform where visibility of vehicle is restricted to a group of "friends" defined by driver.

MYFREEDOM: Why Choose One, When You Can Have Them All! A monthly car subscription and fractional ownership program offered through U.S. dealers. Multi and Single vehicle models. Alternative ownership incentive to bundle fractional vehicle access along with a traditional purchase or lease of a new vehicle - Jeep Wave

4.1.7.1.2 MAKE LIFE EASIER



F2M All-E: The ALL-e subscriptions give access to services and products for charging vehicles both at home and on the road. This service has been launched in Italy in July 2021 and expanded in France in October 2021.



F2M Charge My Car: This solution makes it possible to locate more than 250,000 terminals in Europe and to plan their journeys according to their charging needs.



Leasys I-Care: It is the innovative Leasys service system designed to improve driver safety, vehicle efficiency and logistical optimization of the fleet. Through the installation of remote diagnosis and infomobility devices on vehicles, Leasys I-Care allows customers to remotely monitor the status of the vehicle, with the aim of preventing theft, breakdowns or malfunctions.



Leasys UMOVE App: Drivers' APP to access all Leasys products and services, locate e-charging infrastructure, perform a number of customer services independently and from a smartphone.

4.1.7.1.3 BUSINESS SOLUTIONS



LEASYS Spa

Leasys, Headquartered in Italy, offers innovative, smart and sustainable mobility solutions. To large companies, small and medium enterprises and private individuals Leasys provides integrated mobility solutions that make fleet management more efficient and safer. Leasys develops diversified rental solutions customized to the composition of fleets of any size. Companies are offered vehicles of the best brands, with the added value of consulting, management and technological capabilities rooted in experience and strategy, thanks also to dedicated digital platforms designed to meet their needs.

With 20 years of experience and with a fleet of over 450,000 vehicles, Leasys is Italy's leader in Long-Term Rental and one of the main mobility players in Europe.



F2M Lease

Free2Move Lease is a multi-brand full-service leasing for all professionals for a hassle-free mobility. It provides tailor-made financing, insurance and maintenance offers, and a set of innovative and connected services for professionals such as Connected fleet, Fleet sharing, Jockey as well as a full range of services to help customers to switch to electric (charge my car, mobility pass, charging stations, etc.). Free2Move Lease in figures: 136,000 customers, 444,000 leased vehicles.



F2M e-Mobility Advisor: Personalized advice solution born from the need expressed by companies to be supported in their transition to electric mobility. Free2move helps them in their energy transition thanks to an evaluation of the electro-compatibility of their vehicle fleet based on the actual uses of their employees.



F2M Multi brand server: Free2move is also a multi-brand server that supports large industries towards the digitalization of their activity, providing them via the Free2move APIs with a set of harmonized and enriched data from connected vehicles leading to tailor-made services, centered on the end user, using cutting-edge technologies. Free2move, allows then its customers direct access to their vehicle data, serving an enhanced customer experience and fleet management: simplified access to telemetry data: vehicle geolocation, fuel level and mileage, "alerts maintenance", in compliance with the applicable data protection regulations.

F2M Mobility Card: Free2move deployed Mobility Card, a mobility account and its universal payment card to simplify the implementation of mobility packages for companies. 100% customizable and flexible, it makes it easier for employees to travel throughout Europe. Mobility Card is built around an account dedicated to mobility, an application to manage employee expenses according to their profiles and a payment card facilitating all types of transport: fuel, electric charging, parking, train, plane, car-sharing, rental, taxi, bicycles.

Customer Space F2M Lease: B2B dedicated web platform for the monitoring of the vehicle's performance and maintenance status. Thanks to the Customer Space the BtoB customers have also access to a wide range of customer services, make inquiries and access contractual and vehicle documentation. It enables B2B Customers and Fleet Managers to monitor the performance of the corporate fleet and optimize its performance.

LEASYS MY-LEASYS

My Leasys: B2B and B2C platform for the monitoring of each vehicle's performance and maintenance status. Through MyLeasys customers are also able to initiate a broad range of customer services, make inquiries and access contractual and vehicle documentation from the comfort of their home or office. MyLeasys enables B2B Customers and Fleet Managers to monitor the performance of the corporate fleet and maximize its performance.

LEASYS I-QUOTE

Leasys I-Quote: Bespoke B2B platform enabling large corporate's internal customers to configure their vehicle in compliance with each company's car policies. An asset for the efficient operation of corporate fleets.

4.1.7.1.4. Main results

Business results: Free2move and Leasys participate to the development of Stellantis. The financial growth of the two organizations was achieved due to high operational performance:

- **Free2move:** a worldwide mobility leader with a long-term rental originations up 15% vs. 2020 and a new mobility business profitable, with revenues up 38% y-o-y driven by U.S. and Europe expansion;
- **Leasys** debut Green Bond issuance for €500 million to finance its electrification strategy and, in particular, the acquisition of LEV vehicles with emissions lower than 50g CO₂/km and the expansion of electric re-charge infrastructure at the network of Leasys Mobility Stores.

Leasys ESG policy: during the year, Leasys adopted a comprehensive CSR approach. As significant employer across Europe, Leasys also feels the responsibility to contribute to the societal well being of staff and that of the communities it serves. To act on this, Leasys adopted a variety of measures to promote responsible business conduct, a diverse and inclusive workplace and clear, transparent communication to consumers and the investor community.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



Free2move eSolutions is the joint venture between Stellantis and NHOA created in 2021, with the goal to become a leader in the design, development, manufacturing and distribution of electric mobility products. In a spirit of innovation and as a pioneer, the JV will guide the transition to new forms of electric mobility, to contribute to the reduction of CO₂ emissions.

Free2move Lease supports its customers in reducing their carbon footprint with the French greentech WeNow. Free2move Lease and the French greentech WeNow, a specialist in climate innovation and eco-mobility, are launching an exclusive service offer allowing their customers to assess their carbon footprint and offset the CO₂ emissions of their fleet. They can have their environmental approach certified by with the UN.

4.1.7.2 Special Mobility Needs

Stellantis supports individuals with special mobility needs. For an individual with a disability, accessible mobility can offer an increased level of independence. At Stellantis, the Autonomy and DriveAbility program are designed to help customers with permanent disabilities by providing financial assistance toward the purchase of appropriate customizable adaptive equipment.

In 2021, there were 4,241 customized vehicles sold through the Autonomy program to customers in Italy, 1,296 in the U.K. and 18,236 in Brazil. Revenues from the sale of these vehicles in Italy totaled more than €83 million in 2021. In addition, about 1,500 people benefited during the year from the services offered through the Autonomy program's 17 Mobility Centers in Italy. These Centers are managed in collaboration with local associations, rehabilitation centers, health authorities and the department of motor vehicles. The services offered include assistance with a range of administrative, legal and technical issues, fitness-to-drive screening assessments, and information on test drives.

The U.S.-based program, DriveAbility, is a financial assistance program to help customers with permanent disabilities enter, exit and operate a new vehicle. The program provides financial assistance up to €893 of the expense for installing adaptive driver or passenger equipment. DriveAbility supplies vehicles to a network of 20 vehicle modifiers, who operate more than 600 sales and service outlets across the U.S. Since 2010, the DriveAbility program has provided more than 46,000 customer assistance grants (of which 2,586 mobility customer grants in 2021 alone). Along with financial assistance for adaptive equipment, the program has provided learning sessions where rehabilitation specialists present the latest in advanced safety and convenience technology features available on our vehicles to benefit special mobility needs.

4.1.7.3 Autonomous vehicle main implementations

As Stellantis focuses on its automated vehicle strategy, we have been able to achieve progress in 2021 such as:

- Level 2 technology launched in China;
- developing of Level 2+ technology in vehicles for the U.S. market;
- improvement of level 2 proposals with new use cases (i.e., semi-autonomous lane change for DS4, etc.);
- active safety features at improved level (i.e., autonomous emergency braking system, lane keeping, etc.);
- further deployment of existing advanced features in ADAS (i.e., night vision, driver monitoring system, automated park assist, etc.).

AUTONOMOUS VEHICLES RESULTS

30

Number of autonomous vehicles developed by the Company or through partnerships and tested internally or by other partners of the Company, for on the road testing

1M

Distance (km driven) in autonomous mode (when available)

STELLANTIS SHARES RESULTS OF L3PILOT AUTOMATED DRIVING PROJECT

Stellantis presented its contributions to the L3Pilot automated driving project at the L3Pilot final event in Hamburg, Germany, in conjunction with ITS World Congress, on October 2021. The event included driving demonstrations on nearby motorways.

The Stellantis' Research and Advanced Technologies teams led the driving test operations.

The piloting phase covered a wide range of driving situations, including parking, overtaking on highways, driving through urban intersections and in close distance scenarios. This tested Level 3 automated driving functions such as:

- Motorway Chauffeur: High-speed driving and automated lane change;
- Traffic Jam Chauffeur: Low-speed driving in congested roads;
- Remote Parking: In parallel and cross-parking scenarios;
- Home Zone: Path memory for repetitive maneuvers to park in and out in parking areas.

A fleet of sixteen Stellantis prototypes was deployed in different scenarios and driving situations and exposed to variable conditions across several European countries to collect data, detect scenarios and evaluate all aspects of the road tests, to answer key questions bringing these systems to the market. [Click here for further information](#) ↘

Mobile Drive Joint Venture

Mobile Drive, the co-owned Stellantis and Foxconn joint venture presented in 2021, is focused on infotainment, telematics and cloud service platform development with software innovations expected to include artificial intelligence-based applications, 5G communication, upgraded over-the-air services, e-commerce opportunities and smart cockpit integrations. It will combine Stellantis' global vehicle design and engineering expertise with Foxconn's global development in the rapidly changing software and hardware realms of smartphones and consumer electronics. The combination will position Mobile Drive at the forefront of global efforts to offer disruptive smart cockpit solution that will seamlessly integrate the automobile into the driver's mobile-centric lifestyle providing the digital experience of the future at the speed our customers demand.

Other innovative partnerships announced in 2021 include the one with Archer to support them in the development of vertical take-off vehicles. Archer will benefit from access to Stellantis low-cost supply chain, advanced composite material capabilities, and engineering and design experience.

4.2 VEHICLE AND SERVICE QUALITY - CUSTOMER SATISFACTION



4.2.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

CSR ISSUE/CHALLENGE #9: Vehicle and service quality - Customer satisfaction

Customer satisfaction hinges on product and service quality. We know that exceptional quality is the forerunner to economic growth and customer loyalty. The key factors for customer loyalty are customer satisfaction, positive customer experiences and the overall value of the goods or services a customer receives from a business. Strong relationships with customers lead to increased customer loyalty. At Stellantis, we are focused on increasing the reliability of our products, our ability to understand customer mobility needs that vary across markets, vehicle service quality, customer advocacy and improving customer relationship processes and communication channels.

We adhere to regulatory requirements and we incorporate best practices to provide comprehensive information to customers, such as information related to warranties, repair and replace services, and along with applying certified international quality standards (e.g., IATF 16949 specific to the automotive industry) in our processes.

Company's public position

In the era of multi-channel and customer centric communication, the relationship has switched from a transactional approach to a personal approach, in which the customer is the central focus, clearly demonstrated in our corporate values which include "We are Customer Centric". The Company is committed to a proactive approach, listening closely to its customers so as to improve their experience throughout an optimized and individualized customer journey.

A broad range of services are available, ensuring a customer centric response. This is true for services during the vehicle sale reception, advice, getting to know the vehicle, financing and insurance options by the dedicated companies in Stellantis and after the vehicle sale handling, maintenance, repair and spare parts replacement.

Stellantis' approach to innovation is about meeting the new expectations of its customers. While differing from one country to the next, those new expectations nevertheless follow a few key trends, namely the shift from ownership to experience, calls for progress for everyone, and the very highest security and safety standards. We participate in discussions and quality councils with industry associations, e.g. AIAG, where teams of volunteers from OEMs and suppliers collaborate on the way to solve issues that are common to the automotive industry. For economic, environmental and social reasons, the automotive world is transitioning from the era of the vehicle to that of mobility. Stellantis' innovation strategy for 2030 is consistent with that paradigm shift and aims to respond to the changing needs of customers.

4.2.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term Year	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #9 Vehicle and service quality - Customer satisfaction Owners Chief Customer Experience Officer >>>	Be TOP1 in syndicated surveys in customer satisfaction with excellent quality vehicles, services and mobility, providing a seamless customer journey, worldwide ¹	Customer satisfaction: presence rate of Stellantis brands in the first quartile of the product and service syndicated surveys, in the main markets. Year for base 100 is 2021, target is +20% each year ²	2024: 160	2030: 280	2040: All Stellantis brands in the first quartile	100
		3 months in service repairs rate: percentage of reduction vs reference year 2021 ³	2022: -41.3% 2024: -56%	2030: -75.6%	2040: -80.4%	100
		Customer satisfaction as measured by Net Promoter Scores (NPS) (New Vehicle sales + After-Sales).Year for base 100: 2021 ⁴	2025 Sales: 103 Aftersales: 115	2030 Sales: 109 Aftersales: 117	2040 Sales: 114 Aftersales: 121	100

¹ Refer to section 4.2.5 for more information about TOP1

² Reference scope:

- Product: Things gone wrong, overall satisfaction;
- Service: sales, after-sales;
- 13 markets: France, UK, Germany, Spain, Italy, Turkey, Brazil, Argentina, China, Japan, India, South Korea, USA.
- The KPI is the average value of the 4 indicators (product and service) on the 13 markets

³ This KPI is calculated using the warranty database. As results are confidential, they are given using a base 100 2021

⁴ This KPI is based on syndicated surveys results. Base 100 2021 means that 2021 results are used as a reference and converted to 100. Future results will be compared to 2021 and presented as percentage of evolution

4.2.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

4.2.3.1 Risks

Quality has an important impact on customer satisfaction and loyalty. The potential loss of customers and negative brand image are risks that the organization pays close attention to via customer feedback methods.

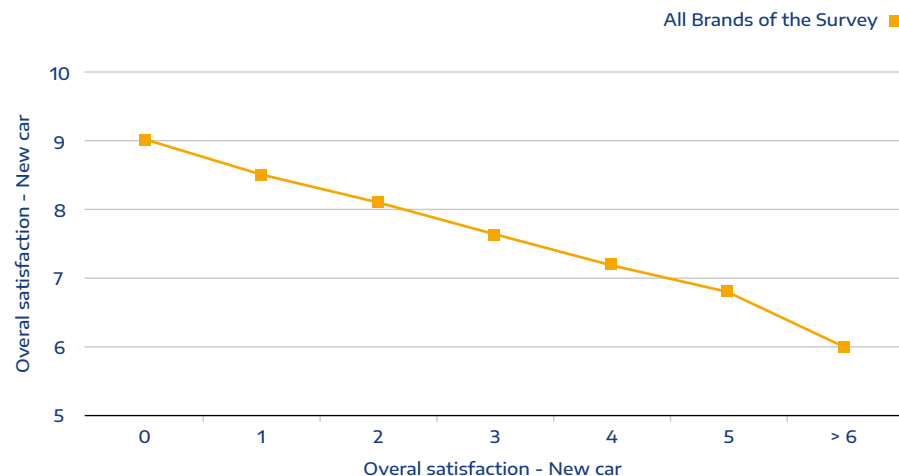
As an illustration of these risks, the results of one of our surveys (see items 1 and 2) show that the more problems a vehicle has the less likely it is that a customer will remain loyal to the brand.

1. Survey results regarding the **relationship between incidents and product quality satisfaction score**

Customers are asked to provide their experience during the first 90 days of vehicle ownership.

We can see that a customer who has not had a vehicle problem within the first 90 days gives a 9.00 average satisfaction score while a customer who has had three problems gives a 7.77 average satisfaction score.

Impact of number of problem on OSAT score¹

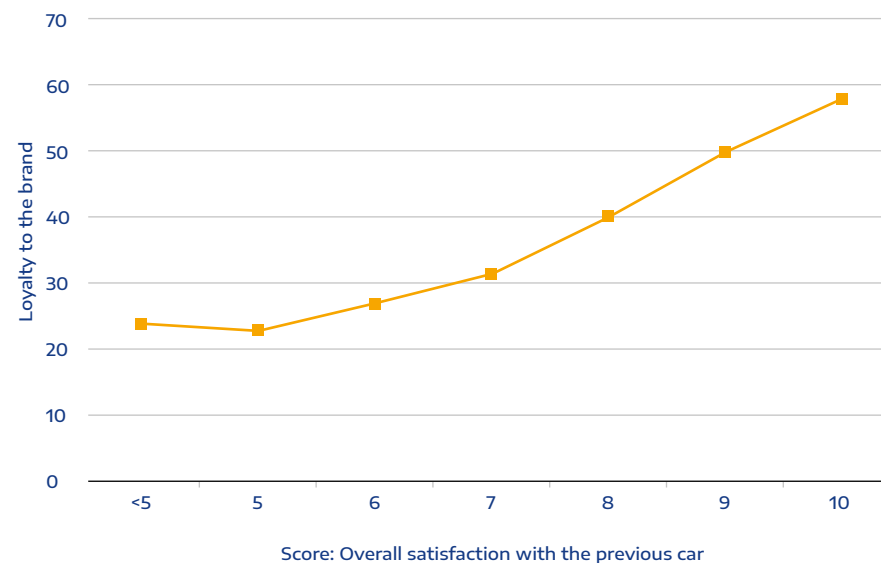


2. Survey results regarding the **relationship between loyalty and product quality**

When customers experience problems with their vehicles, we risk losing brand loyalty, which becomes a negative financial impact for Stellantis. The probability of a customer repurchasing the same brand as their previous vehicle is:

- 23% when a satisfaction score of 5 is given for their previous vehicle;
- 50% when a satisfaction score of 9 is given for their previous vehicle.

Impact of OSAT with the previous car on Loyalty to the brand¹



¹ Scope of the survey: Results May 2021
All brands sold in the 5 major markets in Europe: France, Germany, Italy, Spain, United Kingdom
Deliveries between September 2019 and August 2020
Questionnaire sent to customers after three months of ownership

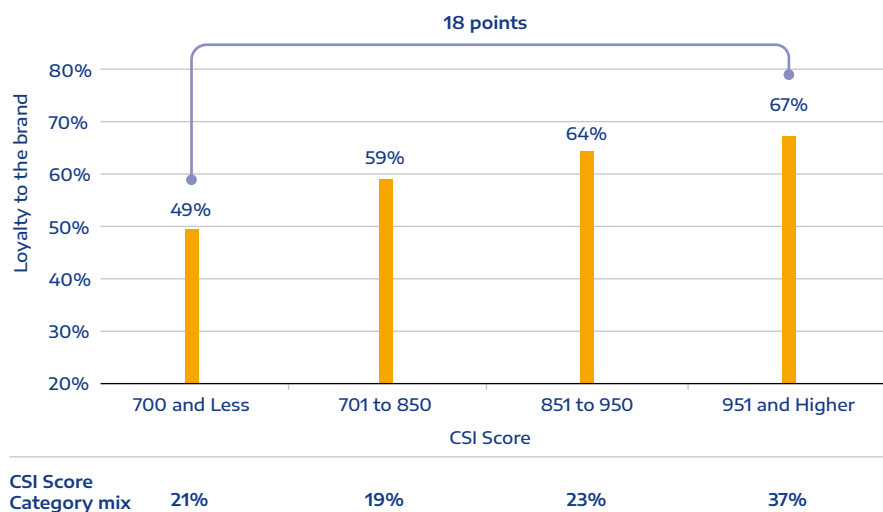
3. Survey results regarding the **relationship between loyalty to the brand and aftersales satisfaction**

When customers have a positive aftersales service experience, the potential for loyalty to the brand and official dealers' network is increased.

Higher customer satisfaction with the service experience leads to higher brand loyalty rates.

2021 U.S. Customer Service Index Study (CSI) as of March 2021

Brand Loyalty Rate¹



¹ Scope of the survey: Original owners of light vehicles – cars and trucks, personal use vehicles only:

Registration Period:

- 2018 Models: July 2017 – February 2018
- 2019 Models: July 2018 – February 2019
- 2020 Models: July 2019 – February 2020

Source:

J.D. Power 2020 Customer Service Index (CSI) Study (CSI Scores are based on 1-3 years owners)
 J.D. Power Power Information Network (PIN) trade-in VIN data matched to 2020 CSI Study

4.3.2.2 Opportunities

Feedback is an important part of the process to develop improvements. Applying the findings from customer surveys supports decisions on the most beneficial way to deploy resources.

Stellantis has the opportunity to **strengthen customer satisfaction** regarding vehicle and service quality

We work to develop and implement initiatives that are designed to create a positive customer experience. We are implementing several innovative initiatives to attract and retain customers.

■ Innovation in manufacturing quality

To support the continuous improvement approach to the quality of our products, Stellantis has implemented an innovation based on Artificial Intelligence (AI) technology. These improvements have made it possible to automate various control stations throughout the production line, vehicle and mechanical component factories to verify the quality of the manufacturing process.

■ Product predictive maintenance

We work consistently on trying to anticipate failures such as ones that requiring towing, and more quickly identifying the root cause of complex failures. The goal is that the vehicle spends as little time as possible at the dealership and that the customer is more satisfied.

■ Used vehicle e-commerce solution

A used vehicle purchase module has been developed to provide customers speed, fluidity and transparency in the used vehicle purchase process.

Refer to [section 4.2.7](#) > for more information on the initiatives.

4.2.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

The Customer Experience organization represents the customer’s voice inside Stellantis and it is their mission to satisfy the customer’s expectations. The Chief Customer Experience Officer is an EVP, reporting to the CEO, a member of the Top Executive Team and the Strategic Council, and has the responsibility to decide when vehicles meet the needs of customers and are ready to be sold around the world. The Officer defines quality targets for product and services and the mid-term plan, which covers three years, and is reviewed with the Top Executive Team twice a year to ensure we are challenging ourselves to meet the ever-changing market. In order to meet these targets around the world, the Officer delegates the authority to local business units and plant Directors to capture their market needs and expedite the results.

The authority is defined in the Quality Policy, which governs the teams throughout the whole value chain: from the design of our products and our services, to the support of each of our customers, everywhere in the world.

To ensure that the Quality Policy is in compliance, the Quality Management System (QMS) is used to identify the requirements linked to quality results. These requirements are the basis for the Company’s operational processes and quality standards, which are continuously improved. The results from the field assessments support the conclusion that the QMS is efficient and makes it possible to identify improvement actions.

The heads of Customer Experience of the divisions and the regions control the implementation of the Quality Policy and are responsible for their QMS. They involve all the players with whom the Company works with in the extended company such as suppliers, industrial partners, subsidiaries, importers and commercial networks to ensure the achievement of Quality results. Each region reports its results during the monthly Business Review led by the CEO.

In manufacturing – in compliance with the regulatory requirements of the countries or regions in which we operate – Stellantis plants are certified according to the standards:

- ISO 9001 for vehicle manufacturing plants;
- ISO 9001 or IATF 16949 for powertrain and raw materials plants.

The Company’s quality governance is global:

- the Chief Customer Experience Officer reports to the CEO. This role manages the Corporate Customer Experience Division, oversees the Heads of Customer Experience of the regions, brands and other corporate divisions, and ensures that the Company meets its quality objectives;
- the Customer Experience teams in the Company Divisions oversee operational managers, provide technical guidelines that include expectations to reach quality targets in all regions;
- the Customer Experience teams in the regions are in charge of the quality of the region’s products and services, as well as plants and points of sale.

Members of the Top Executive Team, including the Chief Customer Experience Officer, identify and confirm the strategic quality ambitions and guide the quality initiatives of the business units and regions. Stellantis has set quality targets consistent with its ambition in customer satisfaction. The Customer Experience Division performs internal and external communication throughout the year to disseminate the concept of being customer-centric through technical and soft skills training, supplier quality meetings and internal communication channels.

Convergence between former Groupe PSA and former FCA has been defined and built in 2021.

4.2.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

The Stellantis Quality Policy was signed by the CEO and communicated to employees worldwide.

Managers have to ensure that everyone on their team is aware of the policy and implements the actions to support it within their scope.

For Stellantis, being TOP1 means: being the best in customer satisfaction with excellent quality vehicles, services and mobility, providing a seamless customer journey, worldwide.

This includes:

- Customer Experience being at top level;
- Targeting zero defects on products and zero complaints regarding the services for our brands;
- Sustainable Quality throughout the product life cycle;
- Exemplary responsiveness to customer feedback.

All Stellantis brands compete to be TOP 1 in syndicated surveys in all their major markets.

Through our Quality Policy, we commit to implement actions to reach this ambition.

The commitment of everyone to think "Quality FIRST": we are a customer-centric Company focused on providing best-in-class customer experience through our behavior, decisions and actions, at all levels of the Company. For example:

- we define the quality objectives in the planning phase program of new products and new services;
- at each step, we check the conformity of the result with the defined requirements;
- we react immediately to defects, whether these defects are detected when the vehicle is still in our hands or after the vehicle has been handed over;
- we capitalize on the analysis of our findings to avoid recurrence and to improve our performance.

We also engage our suppliers and our partners in achieving our quality ambitions:

- by associating them directly in the analysis of issues and risks in a timely manner;
- by being responsible and accountable for the quality of their deliverables at each phase of development;
- by not hesitating to be intrusive and to escalate if necessary.

Stellantis has an operational Quality Management System. It is a sustainable means to achieve our Quality Ambition.

The Stellantis Quality Management System (QMS):

- defines the quality requirements for the processes in our value chain;
- defines the quality fundamentals whose rigorous application makes it possible to achieve the results.

We apply our Quality Policy throughout the Company's value chain, from the design of our products and services to the support of our customers, whether digital or physical, anywhere in the world.

Stellantis employees are engaged from early phases such as strategy, planning and programming to sales and after-sales, for our products, services and mobility services.

Our collective engagement is supervised by qualified people with high level technical and managerial skills. The Customer Experience Department is an independent function of Stellantis focused on compliance with the commitments made for Quality. Each manager, including those in the commercial networks, is responsible for ensuring compliance with standards, the conformity of results and the performance of processes within their scope.

4.2.6 ORGANIZATION AND RESOURCES

GRI 103-2

GRI 103-3

In accordance with our policy, quality is everyone's business. To make this be a reality, we have regular trainings and communication.

800 employees in the corporate Customer Experience division and 15,200 (including hourly people working in plants) in the quality job family act directly, in their everyday job, for the customer satisfaction.

4.2.6.1 Resources deployed to improve the quality of products

To ensure a total satisfaction of our customers, Stellantis employees respect the quality requirements and apply the quality processes defined for each and every step of the value creation chain (design and development, manufacturing, sales and aftersales including suppliers management).

■ Design and engineering phase

The shape, style and lines of a vehicle are direct contributors to the sales of vehicles and based on customer perception of quality. Finish, robustness and the materials used inside and outside, play an important role in the customer's perception of quality. Perceived quality is a major factor in a customer's purchasing decision.

Stellantis aims to position each future model at the highest customer satisfaction level of each of its automotive brands. More than 1,500 characteristics have been identified, which contribute to the impression of perceived quality. Specific evaluation tools and technical benchmarks are used to drive vehicle projects to the expected Quality level.

■ **Performance and reliability during use of the vehicle**

Quality of product performance is based on customer expectations for a given segment, enriched by the brand experience it conveys. Around 40 different main standards e.g., visibility, seat comfort, etc., are defined for verification. The Company strives to position each future model among or above the best for customer satisfaction within its competitive segment. For initial quality and reliability, Stellantis strives for achieving the highest level delivered to the customer. Several well-structured preventive processes are applied at each step including design, development and manufacturing within the Company and from suppliers. Design takes into account the specific usage of products in all selling regions with appropriate endurance driving sessions to simulate and better understand specific vehicle performance over time.

■ **Quality-in-use to preserve value of the vehicle**

Quality-in-use criteria encompasses the aesthetic, aging of materials, tolerance of harsh treatment resulting from daily use, and functional aspects like background noises and loss of minor performances. Stellantis improves vehicle quality in order to reduce signs of aging and wear and tear, with the intention for the vehicle to look as close to new after years of customer usage as possible. This has an important impact on the resale value which is a significant pillar for customers and the Company. Bringing the quality of the vehicle to optimum used-vehicle standard is an important factor that affects the resale value. Specific vehicle aging tests are conducted to improve the baseline design requirements and to manage the aging of the vehicle over time to improve the scope of usage and strengthen the resale value.

COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



Stellantis' vehicles transformation to an open software-defined architecture greatly expands the options customers will have to add innovative features and services via regular over-the-air (OTA) updates keeping vehicles fresh, exciting and updated years after they have been built.

Those OTA updates are expected to be available quickly without waiting for a new hardware, and dramatically reduce costs for both the customers and Stellantis, simplify maintenance for the user and sustain vehicle residual values.

■ **Durability for long-term use**

Customers expect a vehicle that ages well and does not incur excessive future expenditure. Durability is the performance of the vehicle over time, factoring in the variability of customer use. The goal is to ensure product performance without major loss of functionality over time and without breakdown or defect. The Company is aiming to be in a leading role in quality as one of the major pillars that leads to customer satisfaction. Stellantis has set up a continuous improvement process to target the best-in-class position in durability for each product or sub-system.

■ **Manufacturing quality**

The manufacturing quality system is based on the Stellantis Production Way (SPW):

- the Company controls the quality at the workstation, in some production quality gates during the process and in the final inspection line to ensure the quality level of the manufactured vehicle. There are 1,800 functional and aesthetic characteristics checked on every vehicle;
- vehicles are tested daily by professional operators in static and driving tests on specially designed tracks and on roads outside the plant;
- the Customer Experience division ensures plant audits in order to verify requirements.

The processes and KPIs are in compliance with the Company's reference standards. To achieve the highest quality level in all manufacturing plants, best practices are being deployed.

■ Supplier quality management and development

The Company's Purchasing Department works to ensure supplier quality management and development by:

- usage of an Advanced Product Quality Planning and a Production Part Approval Process;
- checking key processes and certifications such as critical supplier management;
- defining supplier KPIs such as warranty performance;
- a supplier surveillance system with defined countermeasures and permanent personal contact with each supplier manufacturing location.

Our approach is global and actions are adapted to the most demanding customer expectations, taking into account regional wants and needs, in order to handle perceived quality, quality-in-use and durability of our products. The same analysis, processing and feedback standards are also applied for vehicles produced by our joint ventures.

4.2.6.2 Strategy and means deployed for a high-level quality of service and customer experience

Stellantis aims to provide an experience that delights each customer by:

■ The excellence of the relationship throughout the customer journey

- The customer's journey with our brands begins well upstream of the act of purchase and continues throughout the use of the vehicle or mobility service. Through digital and physical interactions with the brand, the customer can discover the product or the mobility service and become interested in it before committing to purchase. The relationship with the brand continues throughout the use of the vehicle or the service;
- the quality of service covers the entire relationship between the customer and the Company. The entire journey is a major contributor to the excellence of the customer experience at every point of contact.
- to achieve this quality of service, the Customer Experience function relies on teams and systems in each region.

■ High-level operational skills for the service of customers

- The business centers describe the tasks for zone managers and each key function of the dealership. In a sales team, for example, this includes dealership personnel such as the sales manager, sales assistant, sales consultant and delivery manager;
- since 2018, to strengthen the customer-centric and interaction-centric mind-set, special attention has been paid to training sales advisors on behavioral skills, an essential complement to expertise and application of working standards;
- the training policy applies to key sales and technical positions at the point of sale. In 2021, the dealer networks provided 8.6 million hours of training (classroom and remote);
- the accreditation program is an international program intended for all personnel in contact with customers, performed by our retailers, that assesses technical and behavioral skills.

■ Applying efficient processes to achieve results

To ensure the application of processes and the achievement of results:

- within each point of sale, each manager conducts checks on the application of standards which are complemented by Zone Manager internal audits;
- external audits are carried out annually on the application of operational standards;
- frequent mystery call and shopping provides evaluation and opportunities to demonstrate respect for the customer experience and behaviors desired by brands;
- yearly internal audits are conducted by the Customer Experience team.

Deviations identified during these audits are the subject of action plans, which are monitored at local and country levels.

New processes are evaluated to measure knowledge of the customer experience, including shopper survey and Quality Observer.

■ **Management of the quality of service provided in each country**

The Stellantis roadmap is defined for the period 2022-2030. This roadmap makes it possible to steer the convergence and achievement of our objectives.

Each country is responsible for its annual Quality of Service Plan, structured around main actions:

- assessment of skills and implementation of training plans;
- deployment of operational standards in each point of sale, standards which embody and guarantee all the requirements of the brands, which each point of sale must comply with;
- quality control delivered by each point of sale, and reduction of dispersion between points of sale;
- treatment of deviations identified during checks and audits.

The identification of gaps makes it possible to define the priority actions to be implemented to achieve the objectives.

The annual quality of service plan for each Country is monitored by the Regions with the support of the Corporate Functions; its day-to-day animation is handled by the monthly Country Quality Committees.

The quality of service is one of the major components of the sales policy applied by us in each country with its sales and after-sales network.

■ **A structured system for listening to the voice of customers throughout the journey**

To monitor its quality of service, Stellantis relies on a vast survey system:

- benchmark surveys concerning the purchase and delivery of the vehicle and after-sales interventions, carried out in most of the countries where the Group operates, to position each brand vis-à-vis the competition and better target expectations customers have, depending on the market;
- online surveys made by Stellantis to the customers after purchasing the vehicle and after each contact with the after-sales service. In 2021, 6.3 million customers, of which 1.5 million for sales surveys and 4.8 for aftersales surveys, responded in 56 countries worldwide. This system gives customers complete freedom, they

can answer questions at the most convenient time for them and freely formulate their answers. The concerned dealer is alerted in real time on any dissatisfaction and is due to react in less than 48 hours;

- these surveys are supported by online customer experience platforms, which allow each point of sale to challenge itself in relation to country, region and zone results. These platforms make it even more simple and easy to use verbatim results from surveys, and allow the monitoring of individual customer satisfaction. In addition to aggregating data for trend analysis, these platforms allow the network to receive and respond to customer feedback in real time. Staff can be alerted to new comments through a mobile app, allowing them to immediately contact an individual customer, if needed;
- a plan is underway to converge the platforms within each region, monitor the major contact points of the customer journey, integrate social media such as Google or Advisor to obtain a global vision of the customer experience in each brand and strengthen action synergies.

■ **Customer Care**

There are dedicated customer care organizations in all regions to manage customer engagement activities worldwide. Customer Care is the primary point of communication between customers and the Company; it provides support through a variety of channels including telephone, chat, email, online and from the vehicle. Stellantis operates 42 contact centers worldwide, with approximately 2,150 agents and supervisors. Customer Care handles more than 11.5 million of contacts per year, offering a variety of services including requests for information, complaint management, roadside assistance and sales leads. The contact centers provide multilingual support with a strong focus on employing native speakers of 29 languages.

Stellantis believes that skilled, knowledgeable and motivated agents are essential for a high level of customer satisfaction. For this reason, in 2021, more than 30,000 hours of training have been delivered to agents and team leaders on new products, customer handling behaviors, processes, systems and new procedures.

AMAZON AND STELLANTIS COLLABORATION FOR CUSTOMER-CENTRIC CONNECTED EXPERIENCES

“We will transform our vehicles into personalized living spaces and enhance the overall customer experience”, declared CEO of Stellantis C. Tavares.

Together, the two companies will create a suite of software-based products and services that seamlessly integrate with customers’ digital lives and add value over time through regular over-the-air (OTA) software updates:

- Amazon and Stellantis will collaborate to deliver software solutions for new digital cabin platform, STLA SmartCockpit, starting in 2024
- Stellantis selects AWS (Amazon Web Services) as its preferred cloud provider for vehicle platforms to deliver on its long-term, software-focused vision
- AWS and Stellantis will launch collaborative engineering and innovation initiatives and tools to accelerate time to market for new digital products and upskill Stellantis’ global workforce

Amazon will be the first commercial customer for the new Ram ProMaster Battery Electric Vehicle (BEV) in 2023, further expanding **Amazon’s sustainable delivery network** ↘.

4.2.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3

4.2.7.1 Innovation Initiatives

After sales Service accessible 24/7

Service 24/7 is a new digital service providing aftersales customers a free tool that is simple, fast and secure, allowing them to drop off and pick up their vehicle at the dealership whenever they want, using a secure self-service kiosk. Customers can go online or call to make an appointment for aftersales services such as maintenance, repair, bodywork and courtesy or rental vehicles, then finalize the transaction through a secured automatic self-service terminal.

The customer can drop off the vehicle key and registration certificate at the kiosk, while payment for the service is made online. Once the vehicle service has been completed, the customer is informed by text that they can pick up their key and documents at any time from this same kiosk, then pick up the car from the dedicated parking area. The result provides dealership options that are simple, convenient and no added cost. The option aims to provide the same quality of service as using the traditional service reception.

Service 24/7 was piloted in Massy and Marseille, France. The pilot was successful based on the average satisfaction index of 4.8 out of 5 with more than 1,400 customers in two years. Approximately 55% of the transactions were made outside of the dealership’s business hours.

This system is now implemented across 31 Stellantis owned retail sites of which 28 in France and three in Belgium, for Peugeot, Citroën, DS Automobiles, Opel and Vauxhall. We are integrating IT systems to continue the rollout to more countries and more Stellantis brands. Find out more about Service 24/7 at this [link](#) ↘.

Stellantis owned retail develops its used vehicle e-commerce solution: a 100% digital and personalized customer journey

With SelliWay, a module integrated with the used vehicle bee2link expert tool, Stellantis Owned Retail has a solution that enables 100% of the sale of used vehicles online, from vehicle trade-in to e-payment and delivery. This model aims to meet the expectations of used vehicle customers in terms of speed, fluidity and transparency.

From the first contact with the online sales agent, the customer is guided step-by-step through all key stages of the purchase process, appraisal and online rating when there is a vehicle trade-in, real-time presentation of the used vehicle in the Spoticar national inventory matched to the customer’s choice, visualization of the chosen vehicle, online offer and secure payment.

The addition of video, live chat and e-signature make the journey simple and convenient for the customer. During the proof of concept from December 2020 to April 2021 in Belgium, 10% of total used vehicle sales were made through this channel, without in person customer contact.

The rollout of the tool is planned for all Stellantis Owned Retail European subsidiaries.

In 2021, the system was launched in Belgium, Spain, France, Italy and Portugal. In 2022, Germany, Austria and Poland are planned to launch. The targeted brands are Peugeot, Citroën, DS Automobiles, Opel and Vauxhall. We are integrating IT systems to continue the rollout to more Stellantis brands. The same process is being developed for the sale of new vehicles. Find out more about this tool at this [link](#).

Innovation in manufacturing quality

As part of a continuous improvement approach to the quality of its products, an innovation based on Artificial Intelligence technology has made it possible to automate various control stations throughout the production line vehicle and mechanical component factories. The first control station was installed in the Sochaux factory, France, at the end of 2020 and has proven the efficiency of the process. Stellantis has invested several millions of euros in 2021 in the implementation of 26 control stations in its various factories of which 8 are fully operational. The target is to install such stations in more factories in the coming years.

Product predictive maintenance

Stellantis works on trying to anticipate failures such as ones that require towing, and more quickly identifying the root cause of complex failures. These failures sometimes have random behavior and require lengthy investigations which take the customer's vehicle out of use.

In 2020, analytical methods using data science models were implemented to help the dealership troubleshoot complex breakdowns and replace the right part. This experimental phase has shown its potential on failures whose origin was uncertain, variable with temperature, required several interventions by the technician and several returns of the vehicle to the dealership service.

The next step is the scaling of these methods and their use upstream of the intervention of the dealership service. This involves real-time information collection on the condition of the vehicle to anticipate a vehicle out of use failure. This innovative method uses data from the connected vehicle. There are tests on a large fleet of vehicles underway and a pilot phase is due to start in early 2022.

4.2.7.2 Achievements

At Stellantis, we measure Product Quality through several surveys, KPIs and external sources to be sure multiple aspects of the customer experience are monitored and evaluated:

- Product satisfaction is measured as the percentage of models in the first quartile of their competitive segment.

Surveys show that customers are more and more satisfied with the Stellantis models. The percentage of Stellantis models ranked in the first quartile of their competitive segment about satisfaction with the product was 24% for vehicles sold in Model Year 2018, and 31% for vehicles sold in Model Year 2020. The scope of the surveys is:

- all brands in U.S., Brazil, France, Germany, Italy, Spain, United Kingdom, China, Japan and Turkey;
- questionnaires are sent to customers after approximately three to four months of ownership.

These are some examples of ranking according to this product satisfaction measurement provided by syndicated surveys:

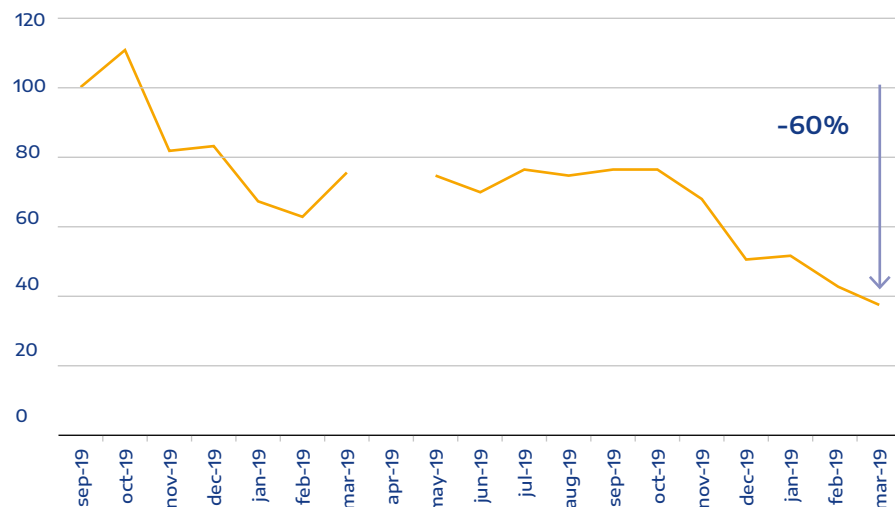
- in the U.S., two of our five brands are in the top 3;
- in China, two of our four brands are in the first quartile of their competitive segment;
- in Brazil and Argentina, two of our four brands are in the top 3 of their competitive segment;
- in India and Asia Pacific:
 - the podium is 100% Stellantis on the mainstream market;
 - in Japan, two of our three brands are in the top 3 on the premium market;
- in Europe:
 - in Italy, three of our brands are in the first quartile of their competitive segment;
 - in Germany, two of our three brands are in the top 3 on the premium market;

- in the U.S. market, the Initial Quality Study (IQS) measures initial quality by the number of problems experienced per 100 vehicles (PP100) during the first 90 days of ownership with a lower score reflecting higher quality. For 2021, several Stellantis brands, Ram, Dodge and Jeep, received ratings that were above industry average;
- we also track the three months product repair rate vs reference year (in base 100).

The quality of Stellantis LEVs has improved for the last two years. From September 2019 to March 2021, the failure rate of our LEVs has decreased by 62%, thus converging to the Internal Combustion Engine vehicles quality level.

LEV 3 Month in Service Failure rate vs Production month¹

Base 100 is September 2019 Production month
No production in April 2020 due to Covid19 confinement period



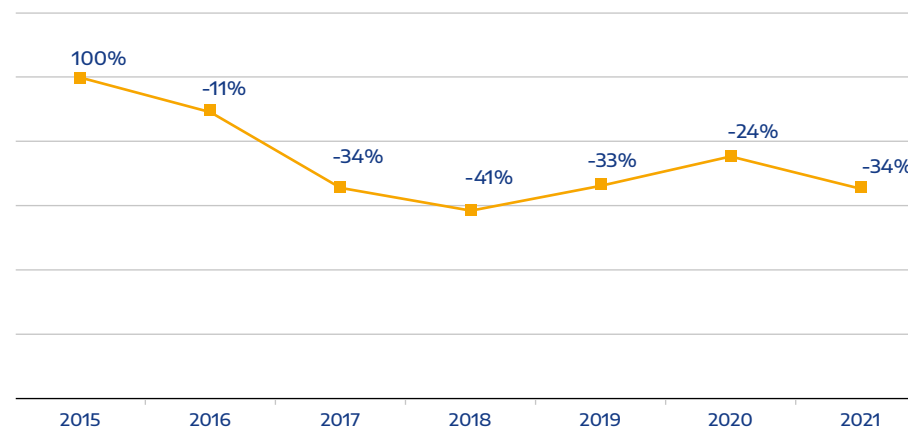
¹Scope: All Stellantis brands in the Enlarged Europe region (34 electrified models)

- Stellantis also provides the percentage of plants that are certified to widely accepted product quality standards such as ISO 9001. This provides customers an external recognition on our ability to deliver products with a high level of quality.
 - 100% of the Stellantis vehicle assembly plants are certified ISO 9001;
 - 100% of the Stellantis powertrain plants are certified ISO 9001 or IATF 16949.

The actions taken regarding product quality are key in making warranty improvements. Warranty costs per vehicle (CpV) have reduced by 34% since 2015, despite significant headwinds in parts pricing, dealer labor, and dealer mark-up.

Stellantis Warranty costs evolution²

% vs CY2015 baseline



² KPI includes: Warranty, Campaign, Goodwill, Buyback, Supplier recovery

In addition to meeting the industry’s defined product quality standards, customers expect consistently high quality in the areas of consulting, service and repair with regards to vehicles and spare parts. Service quality is based on the service expectations of the customer and the factual service received by the customer and is a critical factor in retaining customer loyalty. Here are two examples.

VIDEOCHECK is a program designed to increase transparency for customers by showing them, with videos and clear explanations, the points that need to be repaired on their vehicles. With this process, Stellantis is demonstrating a high level of transparency and reinforcing customer confidence. Being informed, customers can make decisions on additional repair needs that are proposed. VIDEOCHECK is now used by more than 5,000 repair locations worldwide. 96% of the customers who experienced it have provided feedback that they are very satisfied with this service. This is a major step toward increased customer satisfaction.

wiADVISOR is a service write-up and repair-order management solution developed in North America. This solution engages the customer in the service lane and supports the customer service journey end-to-end. Among others, it provides the following features:

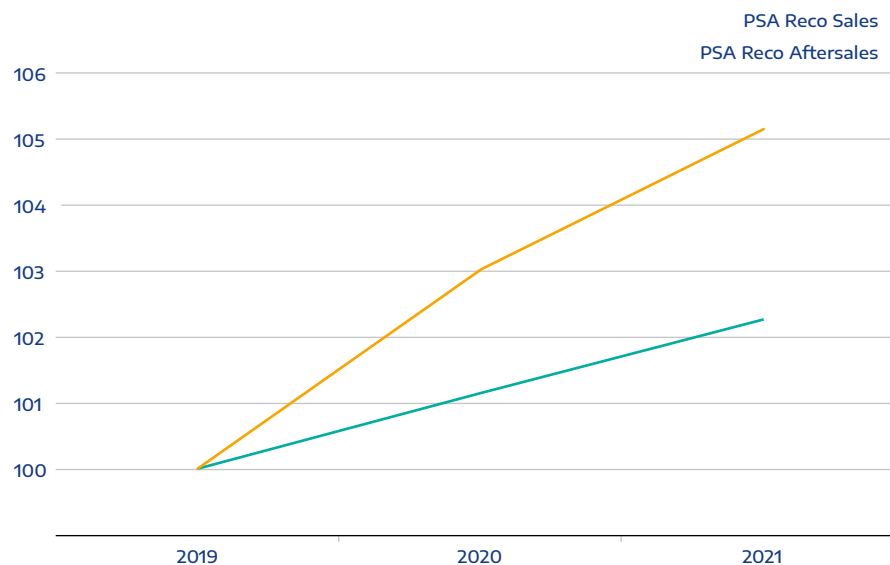
- online scheduling;
- mobile check-in without contact;
- video inspection;
- vehicle flagging which are quality alerts based on specific criteria during vehicle write-up;
- vehicle health check through a connection in the service lane;
- In-dealer and customer communication;
- supports global mobile app scheduling and status notifications;
- active delivery including quality of service delivery checks.

Feedback for service quality is gathered through various channels to monitor performance and support strategic decisions. Both former Groupe PSA and former FCA improved their results over the years.

- Customer satisfaction for aftersales experiences may differ from the responses for new vehicle purchases. Performance across time shows that both measures are improving with larger gains in the aftersales customer responses.

Recommendation rate in the service quality surveys carried out by former Groupe PSA for new vehicle purchases and after-sales service

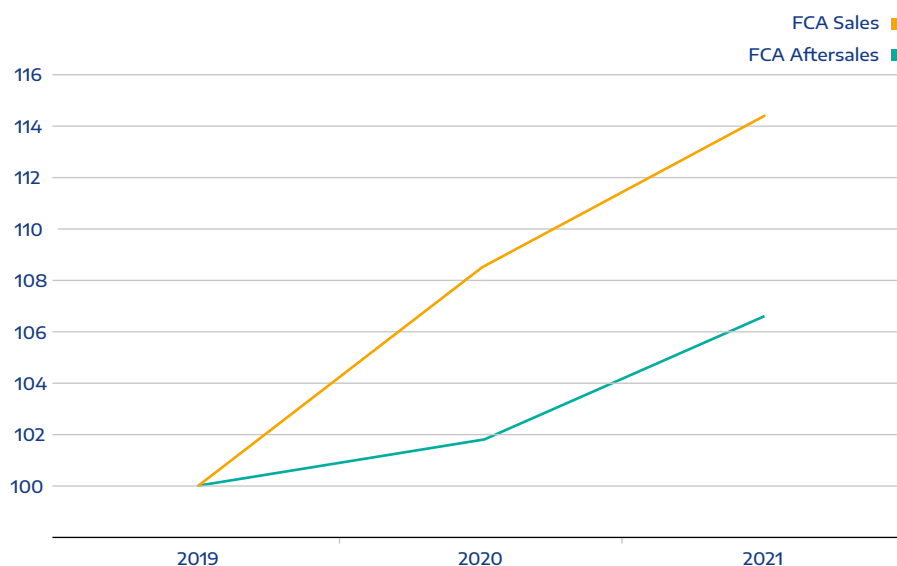
Cumulative 12 months - Base 100 2019



- The Net Promoter Score (NPS) is a customer loyalty metric that measures the willingness of a customer to return for another purchase or service and also make a recommendation to their family, friends or colleagues. It takes into account promoters and detractors.

Evolution of the Net Promoter score in the service quality surveys carried out by FCA for new vehicle purchases and after-sales service NPS

Cumulative 12 months - Base 100 2019



Stellantis has chosen Net Promoter Scores (NPS) as the main KPI for quality of service.

As values are confidential, the 2021 NPS result published in the surveys released in 2022 for Stellantis is considered as base 100.

4.3 VEHICLE SAFETY



4.3.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

CSR ISSUE/CHALLENGE #10: Vehicle safety

Vehicle safety is important to all road users including cyclists, pedestrians and other motorists. It is governed by laws and regulations and may also be addressed through voluntary codes of practice, such as the Organisation for Economic Co-operation and Development (OECD) published Guidelines for Multinational Enterprises. Governmental agencies and departments such as the National Highway Traffic Safety Administration (NHTSA) in the U.S., Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in Japan, Federal Bureau of Motor Vehicles - Kraftfahrt-Bundesamt (KBA) in Germany, Driver and Vehicle Standards Agency (DVSA) in the UK, Ministry of Land, Infrastructure and Transport (MOLIT) in South Korea are also introducing increasingly stringent vehicle safety measures.

Stellantis understands that safety is one of the most important expectations in society and impacts customer choices. We integrate such expectations in each phase of the design of our vehicles. We work to anticipate enhanced safety expectations related to connected and autonomous vehicles. In collaboration with our suppliers and partners, we research and develop technology and innovations while analyzing internal test results with a target of continuously improving design.

Company's public position

As the vehicle safety and regulatory framework evolves, the Company is committed to the safety of its customers and other road users. Stellantis has taken a lead role in the framework of ISO to address the specificity of data regarding autonomous driving for ISO 21448 and actively participates with recognized organizations in the rulemaking process and implementation of new regulations and standards regarding vehicle safety.

4.3.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term Year	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #10 Vehicle safety Owners Chief Engineering Officer</p> <p>>>></p>	<p>Develop and offer safe products all around the world, continuously striving for state-of-the-art level of safety risk avoidance, as well as crash protection for vehicle occupants and vulnerable road users.</p>	<p>Level of robustness of the global harmonized vehicle safety organization, processes and technical expertise, including active safety, passive safety, cybersecurity (for its safety relevance), and product safety</p>	<p>2025: Governance, organization and processes defined and set up, external audit every 3 years, performed by an independent assessment body and considering industry standards including ISO26262, ISO21448, ISO21434.</p>	<p>2030: External audit performed each year, considering new technologies embedded in Stellantis products</p>	<p>2040: External audit performed each year, considering new technologies embedded in Stellantis products</p>	<p>The Stellantis Global Safety Forum led by the Global Technical Safety and Regulatory Compliance Executive was formalized and is now a functional governance body for global safety related strategies.</p>

4.3.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

4.3.3.1 Risks

Stellantis believes that the automotive industry should adopt a systematic approach to ensure that vehicle safety remains a fundamental corporate value that helps to protect drivers, passengers, the environment and our communities in a socially responsible and sustainable manner. Vehicle safety is designed to address the risks that may be encountered and is essential to support the reputation of the Company, its brands and technologies. Anticipating regulation changes and participating in the rule making process and standardization efforts provide opportunities to adapt our vehicles and shape the automotive industry.

Vehicle safety is included as part of our culture to increase vehicle quality by empowering employees, contractors, suppliers and dealers to speak up if they have concerns. When risks are addressed, and opportunities to add content that achieve improved safety ratings are deployed, safer vehicles are the result. Safer vehicles can increase customer and stakeholder trust. Stellantis confirms its commitment to vehicle safety and supports an integrated approach including a sound impact assessment to identify the most effective measures.

4.3.3.2 Opportunities

We leverage innovation to reinforce the safety of our vehicles and services. All aspects of safety; including active, passive, product and cyber are addressed in our processes and Innovations.

Stellantis is contributing to the definition of vehicle safety through several channels:

- Strong commitment of safety-related standardization activities (e.g., Functional Safety and Safety of the Intended Functionality, relevant for autonomous driving and advanced driver assistance systems (ADAS)).

- Involvement in innovation initiatives and consortiums include:
 - research activities on “Vehicle to X” and 5G technologies, which may help make the vehicles of the future more intelligent and comfortable for users. The autonomous functions may contribute to fewer accidents caused by human error and reduce driver fatigue;
 - involvement in consortiums in this field include 5G Carmen (cross border tests on service continuity), C-Roads-2 and ICT4CART while on-going;
 - PSA activities in 5G Croco and 5G Open Road (test in real-life driving conditions of 5G continuity);
 - FCA activities in 5GAA (5G Automotive), IGLAD (Initiative for the Global Harmonization of Accident Data) and TTS (Telematica per i Trasporti e la Sicurezza).
- Participation continues in the prior PSA organization on several cooperative projects regarding the safety of autonomous driving such as L3 Pilot (Scenarios database for autonomous driving specification and validation), SETL4L5 (autonomous driving validation for Levels 4 and 5 automation), Pegasus VVM (verification and validation methods for automated driving), 3SA project in the SystemX French consortium (methods and tools for safety simulation).
- Involved in several working groups of the French Plate-Forme Automobile (PFA) on the safety of automated driving, e.g. for the development of autonomous shuttles.
- Commitment to European research projects such as EVADE (assessment of the performance of ADAS like Automated Emergency Braking and Automated Evasive Steering).

4.3.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

Stellantis created a unified Global Safety Forum led by the Global Technical Safety and Regulatory Compliance Executive. This forum will guide the Company on the application of future standards and ratify future processes and procedures concerning vehicle safety and security. We are growing our Transversal Safety Expertise Networks to further develop and improve our safety processes and assess their implementation in our vehicles. At a regional level, decision making processes are in place to address potential vehicle safety issues.

4.3.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

Delivering safe products to our customers is a fundamental objective of Stellantis and is among the essential responsibilities described in our Code of Conduct. We work to achieve compliance with regulatory standards to deliver quality products and services with a high level of safety and reliability. Employees are expected to comply with the implemented safety standards, taking appropriate steps to prevent, identify and correct any non-compliance with such standards. Any vehicle safety issue encountered must be immediately reported to supervisors, the Compliance or Legal Departments or through the whistleblower line.

4.3.6 ORGANIZATION AND RESOURCES

GRI 4116-1

Safety research

The Stellantis advanced engineering organizations around the world apply virtual reality methods and innovative technological solutions for virtual and physical tests. The engineers also analyze real world data to develop and assess effective vehicle safety systems, protection for vulnerable road users and integration of active and passive safety systems.

Stellantis participates in national and international organizations that are focused on areas of occupant and vulnerable road user safety, such as assisting in the development of new and improved safety standards and automated driving system best practices. We are a member of the Initiative for the Global Harmonization of Accident Data (IGLAD), a consortium of auto manufacturers that collects and analyzes traffic accident data to improve road and vehicle safety and has supported the EU project MeBeSafe. In Europe, the Company is a stakeholder of the LAB, a joint laboratory with Renault, which is working on accident case studies and bio-mechanics. In the U.S., the Company collaborates with other automakers through groups like the U.S. Council for Automotive Research (USCAR), to identify technical issues and conduct research related to vehicle safety.

Product development

For every Stellantis vehicle project, safety experts perform technical assessments throughout the project and those results are summarized and communicated to the Product Development Department's top management for review and approval to continue. Although a similar process exists in both organizations, an expanded and harmonized process is currently being incorporated and will be utilized on all future Stellantis vehicle projects. The network of appointed safety experts define, apply, monitor and improve safety practices in Stellantis, and contribute to the definition of international standards.

Product investigation

Stellantis has a dedicated team to investigate field issues including those with potential safety consequences. Investigations are launched to determine root causes, potential consequences and corresponding safety risks and countermeasures e.g., field actions and product safety recalls. The investigation team coordinates the response to the identified incidents with the engineering teams, manufacturing, suppliers and customer care. The procedures include opportunities for early detection, crisis management and immediate action. The safety expert network can contribute to this process for the root cause analysis and risk assessment.

Cybersecurity

Securing customer data and our vehicles from cybersecurity threats is a priority for Stellantis. We have a cross-functional team focused on the security of our corporate systems and vehicles by monitoring threats, clearly defining requirements followed by design and implementation reviews, validation and penetration testing of products and services and incident response. Cybersecurity is considered throughout a vehicle's life cycle including during development, manufacturing, use, service and disposal.

We are engaged in the development of international industry standards through participation with International Organization for Standardization (ISO) and SAE International committees and in the development of best practice guidelines through participation in the Automotive-Information Sharing and Analysis Center (Auto-ISAC). Auto-ISAC enhances the industry's ability to quickly learn of new threats and vulnerabilities and to work collaboratively on threat intelligence for triage.

Stellantis cybersecurity is underway in its preparation to receive certification of compliance for its Cyber Security Management Systems along with type approvals for vehicles sales and registrations as part of UNECE WP.29 R155 incorporated into GSR v2 2019/2144.

4.3.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-2 | GRI 416-1 | GRI 416-2

As explained in our Code of Conduct, our workforce members contribute to achieving compliance with regulatory standards ensuring that the Company delivers quality products and services with a high level of safety, reliability and environmental performance.

Vehicle Safety Technology

Stellantis responds to consumer expectations of high tech solutions in their vehicles by devoting significant resources to research and develop technologies that support drivers and passengers' ability to safely interact with their vehicle and with the world around them. By providing real-time availability of services and information, the Company is contributing to improve safety and the mobility experience.

Stellantis offers active (primary) and passive (secondary) features for diverse drivers and vehicle segments, along with tertiary safety elements. The intent of active safety systems is to help drivers avoid crashes by alerting them to certain potentially hazardous situations or assisting them in mitigating the risk posed by certain types of identified hazards. These systems monitor surroundings, the status of the vehicle, driver behavior and include semi-automated technologies that provide assistance to drivers in certain instances, with the driver retaining appropriate control. Stellantis is exploring new connected safety notification technologies, multi-access edge computing (MEC) and Safety Cloud, that provide drivers advanced notification warnings of potential hazards in their path.

Passive, or secondary, safety systems are designed to help mitigate the effects of a crash. These include occupant restraint technology and the use of more advanced materials that enable us to improve crash energy management. Vehicles are structurally designed to dissipate an impact in a controlled manner, due to the positioning of shock absorbing structures and other design features, while also

promoting vehicle repairability. Deformation of the passenger compartment is minimized. Airbags and restraint systems absorb energy which leads to a reduction of the impact on occupants in crashes.

In the area of tertiary safety, or post-accident emergency response, Stellantis provides emergency rescue sheets with information to rescue teams or first responders on special design elements and the position of components to be considered when assisting the occupants of vehicles involved in an accident. In addition, since March 2010, the Connect Box developed by former Groupe PSA provides assistance when an accident or health related incident occurs in the vehicle. The occupants are connected with a dedicated assistance center that pinpoints the vehicle. Motorway control centers in Europe are automatically warned of any accidents on their roads via the emergency call service in the Company's equipped vehicles as this is becoming a legal obligation in Europe.

COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



Stellantis mapped out its software strategy to deploy next-generation tech platforms, building on existing connected vehicle capabilities to transform how customers interact with their vehicles. Over-the-air (OTA) updates expand the options customers have to add innovative features and services keeping vehicles updated with the latest offerings years after they have been built, while dramatically reducing costs for both customers and Stellantis.

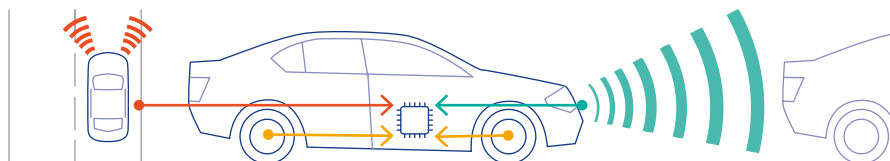
Owners of Chrysler, Dodge, Jeep, Ram, Fiat and Alfa Romeo vehicles will receive a free over-the-air software update called the Emergency Vehicle Alert System or EVAS, which was introduced at the 2022 CES electronics show in Las Vegas. Stellantis is the first automaker to implement its EVAS to 2018-and-newer Stellantis cars, trucks and SUVs. Initially available only in North America, it could be offered eventually in all 14 Stellantis brands worldwide.

The new system warns drivers of nearby emergency vehicles, making it possible to provide more time to react. OTA alerts are sent from emergency vehicles to nearby drivers as well as other responding emergency vehicles within approximately a half-mile. Real time data is used from emergency vehicles using the HAAS company's service called Safety Cloud. This gives drivers an additional warning and more time to move over and slow down compared to conventional lights and sirens alone. More information at this [link](#) ↘.

ACTIVE SAFETY SYSTEMS

Seek to avoid accidents

Track vehicle environment and performance



EXAMPLES OF ACTIVE SYSTEMS THAT GIVE THE DRIVER MORE CONTROL IN DANGEROUS SITUATIONS

Anti-lock
braking
(ABS)

Electronic
stability control
(ESC)

Autonomous
emergency braking
(AEB)

Lane departure
warning
(LDW)

Safety Roadmap

Stellantis continuously evolves its vehicles by offering enhanced safety technology and state of the art features that are proven to help reduce crashes and injuries. All Stellantis vehicles are rigorously tested and validated internally before being tested by outside stakeholders such as the U.S. government (NHTSA) or the Insurance Institute for Highway Safety (IIHS) or NCAP organizations. In 2021, Stellantis performed more than 400,000 validations, either by physical testing or virtual validation.

To address the current traffic safety priorities globally, Stellantis vehicles are developed with new technologies such as:

In 2021	
Lane Keeping Assist	57% of Stellantis models
Automatic Emergency Braking	63% of Stellantis models
Rear seats seatbelts with pretensioner or load limiter	66% of Stellantis models
Speed limiting deviceAutomatic Emergency Braking	69% of Stellantis models

Stellantis also conducts research and innovation activities in the field of crash and occupant safety. The frontal roof airbag is an example of innovation that offers improved protection to the front passenger occupant in certain crash situations.

Product Investigations and Recall campaigns

SASB-250a.3

When potential vehicle safety issues arise, we promptly investigate and take corrective action as previously stated (refer to 4.3.6). This includes initiating safety recall campaigns when appropriate. Stellantis aims to improve the overall customer experience during the safety recall process through timely and accurate communication and reduced customer inconvenience. In 2021, there were 124 recall campaigns involving 3,003,480 initial recall notices. 6,058,212 Stellantis vehicles were produced worldwide. Programs are in place to raise public awareness regarding the need for customers to regularly check for open recalls and the importance of getting recall repairs completed.

The three largest recall campaigns by total number of vehicles are:

- campaign on approximately 1,203,747 vehicles to prevent risk of injury due to potential projectiles during a driver airbag deployment;
- campaign on approximately 499,228 vehicles to prevent over tightening of the lug nuts which could result in a broken wheel stud and possible tire separation;
- campaign on approximately 267,833 vehicles to replace Takata driver and passenger airbags as part of the global recall campaign.

All of these campaigns are carried out transparently with respect to:

- the relevant requirements of authorities (regulatory filing of declarations for safety campaigns):
 - each notification document submitted to the authorities indicates: the models and parts concerned, vehicle manufacture dates, type of risk, description of the defect and corrective measures taken;
- the automotive brands' dealership networks:
 - the traceability of the components purchased during manufacture enables the Company to draw up a list of vehicles that are potentially concerned.

When a campaign is launched an alert including all the information, such as a list of vehicles concerned, content of the message to customers, necessary procedure and parts required is sent to the dealership networks via the appropriate IT systems;

- the owners of the vehicles involved notified individually:
 - the method used to notify the customer is in line with the local regulations in each country. The affected customers are invited to make an appointment with an authorized brand repair facility to make the necessary adjustments;
 - the repair facility contacted provides all the necessary information, including the appointment date, how long the repair will take, the confirmation that the repairs are free of charge, the terms for using a replacement vehicle, etc.;
 - the customer is asked to notify the brand of any change in vehicle status, including its sale, end of life or change of address.

Stellantis monitors the implementation of each campaign specifically based on progress indicators and the actual repairs made in each campaign. Repeat requests are sent to customers who do not come forward. The operations carried out are free of charge for the customer.

Theft Resistance

Stellantis has long been working on making vehicles resistant to theft and protecting vehicles and the objects inside them from malicious individuals. Vehicles are designed to help avoid break-ins referring to standards in line with leading authorities and taking into account current threats.

Since 2011, a unit has been analysing and addressing potential or known vulnerabilities, conducting statistical and Internet monitoring, and analysing theft methods in conjunction with the police. This work has, for example, spurred alterations to the design of door locks to strengthen their resistance to break-ins.

We work closely with cybersecurity experts and are assisted by specialized firms. For instance, encryption algorithms used to protect vehicle unlocking and starting are continually improved. The latest generation vehicles use encryption that meets the highest standards.

In 2021, 100% of ex-PSA vehicles are rated “Exceed” by Thatcham as part of extended requirements for passenger vehicles. Since 2011, 93.1% of ex-PSA vehicles have been rated "Exceed" by Thatcham for passenger vehicles.

Training

Product safety based training materials are captured in two courses; Introduction to U.S. Motor Vehicle Safety and Safety Defect Determination. Due to legislative and regulatory changes the U.S. Motor Vehicle Safety course has been delayed and will be launched for Stellantis employees in April 2022. These web-based courses are open as a reference to all former FCA global employees but they are a mandatory requirement for specific organizations in North America.

For the Safety Defect Determination course, 100% of the required employees completed the training in 2021.

Our suppliers in North America have access to a web-based training program that helps them understand expectations and supplier-specific requirements of the U.S. Motor Vehicle Safety Act and regulations of the U.S. National Highway Traffic Safety Administration (NHTSA). This training was launched by FCA in 2017 and incorporated feedback from NHTSA. Building upon this work, a collaboration with the Automotive Industry Action Group (AIAG) and other automakers standardized this training and made it available throughout the automotive industry.

5

PREVENTING ETHICS VIOLATIONS BY PROMOTING OUR ETHICAL CULTURE

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STELLANTIS' CSR MACRO-RISK/PILLAR IV. PREVENTING ETHICS VIOLATION

Integrity and ethics are integral in our business practices. They are our foundational principles. We understand that acting with integrity it requires vigilance and commitment. Integrity is a source of competitiveness, a foundation of Stellantis's sustainable growth and the way to build a reputation that our customers, workforce and other stakeholders can trust and rely on. Furthermore, it is through our strong culture of ethics and integrity that we prevent ethics violations.

Stellantis works to comply with the increasingly complex national and international regulations and standards focusing on matters such as conflict minerals, balance and integrity of business relationships, consumer protection, and personal data protection rules (OECD Guidelines, ILO conventions, UN Global Compact, GDPR, among others). We implement ethical standards, notably among them our Code of Conduct, the adherence to which is a requirement of our workforce and business partners.

While we strive for integrity in everything we do, we understand the special role of integrity in compliance with regulations or standards that promote sustainable development, such as distribution of value, progressive taxation, cash transfers and investment in human capital, and regulation and strategies of development of inclusive growth.

5.1 ETHICS IN GOVERNANCE AND BUSINESS PRACTICES



5.1.1 CONTEXT AND STELLANTIS POSITION

GRI 103-2

CSR ISSUE/CHALLENGE #11: Ethics in governance and business practices

Integrity and ethics are integral to our culture and business practices. They are our foundational principles, a source of competitiveness, and the basis for our sustainable growth. They help us avoid costly regulatory violations, and build a reputation that our customers, workforce and other stakeholders can rely on.

Our culture is built upon the conviction of doing what is right, under the overarching principles established in the Stellantis Code of Conduct. This approach looks at our internal processes and controls, but also at our compliance with complex national and international regulations and standards that promote transparency.

5.1.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #11 Ethics in governance and business practices (including relations with public institutions, balanced governance and distribution of added value) Owner General Counsel >>>	Promote a culture of transparency and integrity by requiring our workforce to comply with our Code of Conduct, applying appropriate discipline for non-compliance, and requiring our business partners to adopt and apply similar ethical standards and controls.	Number of days to provide a personalized first answer on reported concerns regarding potential violations of the Code of Conduct	2025: Personalized first answer within 1.5 days	2030: Personalized first answer within 1.25 days	2050: Personalized first answer within 1 day	1.9 days
		World Most Ethical (WME) Company status with Ethisphere ¹	2025: Obtain recognition by Ethisphere as one of the World's Most Ethical Companies as part of their WME process	2030: Maintain WME status by Ethisphere	2050: Maintain WME status by Ethisphere	Satisfactory progress towards objective
		Board gender balance (% of female directors)	N. A. due to current terms, some of which only expire in 2025 ²	2030: 40% Target to be established by the Board of Directors		27% Currently we have 3 female directors

¹The Ethisphere WME process is described [here](#) ↘

²Short term target not modifiable as the EGM held on 4 January 2021 appointed 7 directors for 4 years with their term expiring in 2025 and 4 directors for five years with their term expiring in 2026.

5.1.3 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

Our ethical culture begins in our governance bodies, their members, and their proper oversight of our business. Key aspects of Stellantis governance bodies, and their members, are described below with more detailed information available on the [Company's website](#) as well as in the [Annual Report](#).

5.1.3.1 The Composition of the Board of Directors

GRI 102-22

GRI 102-24

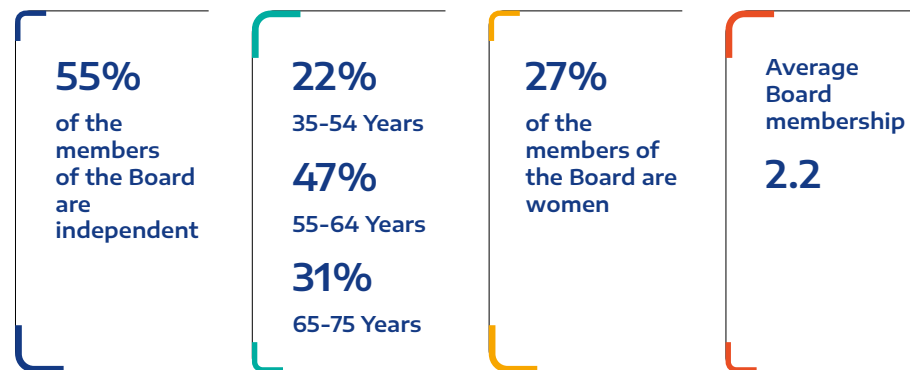
Stellantis has a single-tier Board of Directors that includes executive and non-executive directors. The Board of Directors as a whole is responsible for the strategy of the Company. It is the responsibility of the non-executive Directors to oversee the policies carried out by the executive Directors and the general affairs of the Company. Following their appointment, Directors participated in induction sessions designed to provide them with adequate knowledge of the sector in which the Company operates. These sessions were led by management teams and included the following topics:

- auto OEM business overview with a focus on geographic presence, corporate footprint, R&D methodologies and applications;
- new product development process including solutions to reduce vehicles CO₂ emissions, notably through electrification, in line with the climate change challenge;
- technological challenges, including software developments driving innovation in the industry and customer experience;
- auto OEM strategy plans, new emerging players and disruptive innovation and business models.

As part of the process relating to the Board activities, in 2021 the management provided several updates on the topics treated during the induction sessions.

Diversity is one of Stellantis' core values and members of the Board and its committees are selected on the basis of professional and personal qualifications, as well as diversity factors that include age, gender, expertise, work and personal background and nationality. In the next ten years we aim to achieve, with an overriding emphasis on merit, a Board composition with:

- women occupying at least 40% of the seats of the Board;
- members whose nationality is reasonably consistent with the geographic footprint of Stellantis's business in such manner that no nationality shall account for more than 60% of the members of the Board of Directors; and
- one or more members of the Board of Directors will be under 50 years of age on the day of their nomination.



Board Member Skills Relating to Economic, Environmental and Social Impacts

GRI 102-27

The Board comprises diversified profiles in terms of gender, work, personal background and nationality. Members of the Board of Directors are selected on the basis of professional and personal qualifications in a manner designed to ensure

sufficiently diverse and complementary skills to enable these members to deliver the Company's strategy.

The skills of the members of the Boards relate to either specific operational experiences or performance as responsible for oversight over major challenges at other corporations where the directors also serve as members of the board.

The skills are summarized in the following matrix:

	Climate Change	Diversity and Human Rights	Risk Management	Cyber security	New Business Model	Industry ¹	Corporate Social Responsibility	Governance	Financial and Accounting	Board memberships
John Elkann		✓			✓	✓	✓	✓	✓	3
Carlos Tavares	✓	✓	✓		✓	✓	✓	✓	✓	1
Robert Peugeot			✓		✓	✓	✓	✓	✓	4
Henri de Castries	✓	✓	✓				✓	✓	✓	4
Andrea Agnelli			✓		✓	✓		✓		4
Fiona Clare Cicconi		✓	✓				✓	✓		0 ²
Nicolas Dufourcq	✓	✓			✓	✓		✓	✓	4
Ann Frances Godbehere	✓		✓				✓	✓	✓	1
Wan Ling Martello		✓	✓		✓				✓	3
Jacques de Saint-Exupéry									✓	0 ²
Kevin Scott	✓	✓		✓			✓			0 ²

¹ Industry: the Automobiles industry is under the Consumer Discretionary sector according to GICS Level 1 sector classification.

² Excluding Stellantis

5.1.3.2 Compensation of Directors and Executive Managers

GRI 102-28 | GRI 102-35 | GRI 102-36

Remuneration of the Board of Directors, for both executive and non-executive Directors, is governed by the Remuneration Policy, which was approved at the Stellantis Annual General Meeting held on April 15, 2021. It takes into account scenario analyses as well as the pay differentials within the Company, compensation levels offered in the market, and shareholder and general societal views on compensation.

The Company follows a pay for performance compensation philosophy at all levels in the organization ensuring that the compensation strategy is competitive and is structured to attract and retain key staff of the requisite quality.

The principles and rules decided on by the Board of Directors to determine the compensation and benefits granted to executive directors take into account principles of completeness, balance, consistency and measurement.

The Company periodically benchmarks its executive compensation program and the compensation offered to Directors against peer companies and monitors compensation levels and trends in the market as well as international standards regarding appropriate remuneration. For this reason, non-financial performance indicators are taken into account when formulating the Company's compensation structure.

The design of our compensation program ensures that a significant portion of each executive's overall compensation is based on the achievement of long-term performance objectives through the Company's long-term incentive plan, in the belief that placing significantly more weight on the long-term component is appropriate to align the Directors' and corporate officers' efforts with the Company's strategy, long-term interests and sustainability.

The Board of Directors is assisted by its Remuneration Committee in reviewing and approving corporate goals and annual and long-term performance objectives relative to incentive compensation of executive directors, including other members of the top management team and eligible personnel.

In 2021, we considered, among others things, CO₂ emissions regulatory compliance and quality (product and service) for our short-term incentive program and Electric Vehicle (EV) production and CO₂ emissions regulatory compliance for our long-term incentive plan.

Compensation Criteria and Conditions

COMPENSATION PROGRAM CSR TOPICS		CSR TOPICS	%
CEO	Variable pay	CO ₂ emissions in Europe/global	Pay out trigger
		Product/service quality	20%
	Long term incentive	CO ₂ emissions in Europe/global	20%
Executive Vice Presidents	Variable pay	CO ₂ emissions in Europe/global	Pay out trigger
		Product/service quality	16%
		Other individual goals are determined by the CEO which may include both financial and non-financial measures	Determined by the CEO
	Long term incentive	CO ₂ emissions in Europe/global	20%

Other employees eligible for the incentive plans shown in the above table may receive incentive compensation based on the same CSR performance metrics but with different weighting. Individual goals may also include financial and/or nonfinancial performance measures.

5.1.3.3 Committees supporting governance of Stellantis

GRI 102-22

GRI 102-29

The ESG Committee of the Board of Directors

The ESG Committee reviews the Company's CSR roadmap, achievements and disclosures. In 2021 the Governance and Sustainability Committee reviewed its Charter to better address his role and proposed to the Board of Directors the change of name from Governance and Sustainability Committee to ESG Committee together with adoption of the revised Charter. In accordance with the related Charter, the ESG Committee will periodically assess the performance of individual directors and report on this to the Board of Directors.

In 2021, the Board of Directors itself focused on the assessment of the performance of the Board of Directors, its committees and the individual Directors. It also reviewed the Company's CSR roadmap and disclosures.

The Stellantis Annual Report provides details of the membership, skills and work of the Company's Board of Directors and its committees, together with information on the skills of each of their members, as of December 31, 2021. The Board met 6 times during 2021. The average attendance at the Board meetings as well as the Committee meetings was 100 percent.

The Audit Committee of the Board of Directors

The Stellantis Audit Committee is charged with assisting and advising the Board of Directors with respect to the implementation and effectiveness of the Company's ethics and compliance program, among other things. In so doing, the Audit Committee oversees and monitors the quality and integrity of the Company's compliance policies and practices with respect to applicable legal and regulatory requirements, as well as with the requirements and objectives of the Company's Code of Conduct. The Audit Committee meets with the Company's management, including finance staff, audit and compliance staff, and legal staff to discuss, among other things, any significant legal, regulatory, Code of Conduct or other compliance related matters that could have a material adverse effect on the Company's business, financial statements or operations.

As stated in the related Charter, the function of the Audit Committee shall be to assist and advise the Board of Directors and act under authority delegated by the Board of Directors, with respect to among others the Company's policy on tax planning adopted by management.

The Remuneration Committee of the Board of Directors

The Board of Directors is assisted by its Remuneration Committee in reviewing and approving corporate goals and annual and long-term performance objectives relative to incentive compensation of executive directors, including other members of the top management team and eligible personnel.

The Ethics and Compliance Committee

The Ethics and Compliance Committee oversees all of Stellantis's ethics and compliance policies and initiatives, sets targets, reports to the CEO and periodically reports to the Board of Directors through the Audit Committee. The Ethics and Compliance Committee is chaired by the Chief Human Resources and Transformation Officer. The other members include the General Counsel, the Chief Audit and Compliance Officer, and the Chief Legal Officer. The Ethics and Compliance Committee met four times in 2021.

The Committee is responsible for determining the general direction of the Company's ethics and compliance policies, based on external factors (new risks, emerging stakeholder expectations, benchmarking and new legislation) as well as internal considerations (risks identified by the integrated risk assessment that considers data from executive interviews, as well as data from reported cases in the whistleblower channel). The Committee is also responsible for developing tools necessary to implement the ethics and compliance policies. The Committee also reviews whistleblower cases and elevates to the Audit Committee cases of potential significant financial impact, reputational damage, or other cases that are strategic according to elevation criteria set forth in the charter of the Ethics and Compliance Committee.

The Technical Compliance Committee

The Technical Compliance Committee oversees the Technical Safety and Regulatory Compliance organization's compliance with laws and regulations relating to vehicle and product safety, emissions, and other issues of a technical nature that involve regulatory compliance. The delivery of high quality and safe products is one of our overarching objectives, and integrity drives our detection, investigation and remediation of any issue of a technical nature that may jeopardize the safety of our customers, the quality of our products, or our compliance with regulatory requirements, including but not limited to emissions regulations. In addition to technical controls, we employ our whistleblowing channel to gather information about suspected noncompliance and review specific cases within our Technical Compliance Committee, and our Always with Integrity communication campaign focuses in significant part on the importance of reporting any safety and emissions concerns.

Leadership Team

The general authority to represent the Company is vested in the Board of Directors and the CEO acting individually. On certain key business matters, the CEO is supported by the key governance committees, in particular the Strategy Council, Business Review and Global Programme and Allocation Committees. These bodies are responsible for executing the decisions of the CEO and for providing support for the day-to-day management of the Company. The CEO and members of key governance committees are expected to have exemplary conduct that is consistent with the Code of Conduct, and from time to time lead communications campaigns that help promote the Company's culture of integrity.

5.1.4 POLICIES AND RESOURCES FOR ETHICS IN OUR BUSINESS

GRI 103-2

5.1.4.1 Reference guides

GRI 102-16

GRI 205-2

The culture of integrity that begins with our governance bodies is based on core values that traverse the Company across all levels and functions.

Code of Conduct

Our core values are set forth in the Stellantis Code of Conduct. The Stellantis Code of Conduct was approved by the Board of Directors of Stellantis N.V. in March 2021. It applies to the members of the Stellantis Board of Directors, Stellantis's officers, full-time and part-time employees, temporary and contract workers. Stellantis also expects its stakeholders, including suppliers, dealers, distributors, and joint venture partners, to act with integrity and in accordance with the Code. It is the responsibility of all workforce members to report suspected or potential violations of the Code of Conduct.

The Stellantis Code of Conduct focuses on four main areas:

- the protection of the Stellantis workforce, including a commitment to diversity, fairness, and health and safety, and to the United Nations declaration on human rights and the International Labour Organization's declaration on fundamental principles and rights at work;
- the way that Stellantis conducts business, engaging in sustainable practices that promote vehicle safety, quality, data privacy and environmental protection, and that comply with other applicable laws and regulations, such as anti-bribery, anti-money laundering, insider trading and others;
- the interaction of Stellantis's workforce with external parties, including the avoidance of conflicts of interest and the support of our communities; and
- the protection of Stellantis's assets and information.

The Stellantis Code of Conduct is available under the Governance section on the [Company's website](#).

Policies

Stellantis policies provide further details and guidance regarding the principles established in the Code of Conduct. These include policies on Anti-corruption, Export Controls, Conflicts of Interest, Data Privacy and others. The policies are tailored to the business of the Company, and emphasize integrity, transparency, compliance with applicable legal or regulatory frameworks, and establish a foundation for sustainability.

For example, the Tax Policy is premised on compliance with the law and applicable fiscal obligations, a proactive and respectful engagement with tax authorities, and the maximization of legally permissible tax efficiencies. The Policy directs the payment of taxes within the course of its industrial or commercial activities, without shifting value to low-tax jurisdictions. The Company is not present in countries considered as non-compliant according to the OECD tax transparency report.

The policies are designed, approved and managed by the appropriate functional departments, with oversight by appropriate bodies. For example, as mentioned elsewhere, the Code of Conduct was approved by Board of Directors, and the Ethics and Compliance policies are approved by the Ethics and Compliance Committee, under the oversight of the Audit Committee. Another example is the Tax Policy, which was approved by the Audit Committee of the Board of Directors, as part of the overall tax and financial strategy approved by the Audit Committee of Board of Directors, and is implemented under the direction of the Chief Financial Officer.

Stellantis has deployed a variety of resources to implement its Code and other policies, as further detailed below.

Communication – Tone at the Top

The communication of our core values to all the organization starts with our CEO, who said, in his introduction to the Code, the following:



“As we begin our journey as a new Company, I want to highlight the importance of two fundamental words that will bring our Group to the heights of respectability and performance: diversity and integrity. We, as Stellantis workforce members, are coming from various countries with different cultures and professional backgrounds. This is our personal pride and our common strength. Our commitment towards a diverse and inclusive workplace ensures that we value everyone’s contribution to the success of Stellantis, which notion is embedded in its name. With integrity, we ensure compliance with the laws, regulations and best practices that help us offer safe and high-quality vehicles and services to our customers. Integrity is a source of competitiveness, a foundation of our sustainable growth and the way to build day after day our reputation as a Company that our customers, workforce and stakeholders can trust and rely on.”

Carlos Tavares
Chief Executive Officer

Communication – Tone at the Middle

In addition to the CEO, senior and middle managers are entrusted with cascading messages regarding the Company’s ethics and values. In 2021, senior management distributed short video messages on ethics topics in a series entitled “Always with Integrity.” Middle managers are encouraged to disseminate messages about ethics in meetings and gatherings. The Company also embeds “Compliance Champions” in every region and in specific functional areas with the intention of ensuring that all operations have solid ethics and compliance resources at their disposal.

Training

To reinforce ethics and compliance communications, the Ethics and Compliance Committee oversees a multi-year training plan. In 2021, the Company produced and released an online training on the Code of Conduct. The training is designed to be user-friendly and viewable on mobile devices. Close to the end of 2021, 77,285 people had individually completed the Code of Conduct online training and confirmed their acknowledgment of the Code of Conduct, comprising 88% of targeted employees.

The Company also began a release of anti-corruption training in 2021. 11,667 employees had completed this course close to the end of 2021, representing 60% of the target population, and more will continue to complete the course in early 2022. The Company will also release other ethics-related courses in 2022.

Areas	Number of hours	Target number of employees	2021
			% of employees trained vs target
Code of Conduct	51,221	87,612	88%
Anti-corruption (partial completion)	7,700	19,370	60%

Reporting Concerns - Integrity Helpline

In 2021, Stellantis merged the former PSA and FCA whistleblower systems into one single, robust system. The new Stellantis whistleblower channel is designed to ensure that any suspected violations of our Code of Conduct can be reported, received, and resolved properly and efficiently. Our “Always with Integrity” campaign highlights the availability of the reporting system for all types of concerns, including vehicle safety and regulatory concerns. This system is open to workforce members, business partners and other stakeholders and is accessible on [Stellantis’ website](#) ↘.



ANY DOUBTS ON CODE OF CONDUCT VIOLATIONS?

SPEAK TO

- > Direct Supervisor
- > Human Resources
- > Compliance Department
- > Legal Department

REPORT TO WHISTLEBLOWER LINE

> Visit the Integrity Helpline area
www.integrityhelpline.stellantis.com

Through our internal controls and the use of specialized, independent service providers, the Company’s whistleblower channel is designed to protect the confidentiality of persons who make a report. Reports may be made anonymously unless local law provides otherwise.

Reports are investigated as appropriate by trained investigators and subject matter experts, and are tracked until their completion. We apply corrective actions to confirmed violations of the Code.

In addition to the whistleblower channel, workforce members have the ability to raise questions about the Code or reports of potential violations to their direct supervisors and the Human Resources, Compliance, and Legal Departments.

At Stellantis, we do not allow any retaliation against any person who makes a report in good faith or who cooperates in an investigation. Interested parties are allowed to report a concern confidentially and anonymously where allowed by law. Any retaliation is subject to disciplinary action.

5.1.4.2 Resources to Ensure Responsible Public Affairs Practices

GRI 415-1

Stellantis closely monitors its relationships with public authorities with the intention of ensuring that the Company interacts with government officials in a transparent, responsible and ethical way. In Europe, for example, the Company allocated a budget of approximately €1.7 million to its public affairs activities in 2021. The Company follows the guidelines issued by the European Commission and European Parliament for reporting on Stellantis’s European activities. Accordingly, this amount includes:

- personnel costs based on a full-time equivalent (50% of the total personnel costs);
- the office and administrative expenses (100% of the costs, except for mobility costs covered at 50%);
- the costs related to professional associations (25%);
- externalization costs (100%).

In the United States, federal lobbying is regulated by the U.S. Congress. Stellantis files quarterly lobbying reports that disclose spending on lobbying activities and the specific topics that its registered federal lobbyists addressed in interactions with particular public officials. The amount spent on lobbying that is reported for 2021 is €3.4 million, which includes:

- labor costs (including G&A costs) for hours spent lobbying (100%);
- amount paid to trade associations that the trade associations use for lobbying (100%);
- amount paid to third party lobbying firms (100%); and
- travel, meals, and other expenses incurred while lobbying (100%).

The chart below details Stellantis’s consolidated contributions for lobbying activities in 2021:

(in € million)	2021 contribution
Internal	2.9€
Trade Associations and Consultancy	2.2€
Political contributions	-
Total contribution	5.1€

5.1.4.3 The Company’s Tax Policy

GRI 419-1

The Company’s Tax Policy (the “Tax Policy”) is approved by the Audit Committee of the Board of Directors and is published on the [Company’s website](#). The Tax Policy and supporting Policies have been adopted to ensure that Tax Compliance, Tax Planning and Tax Risks are effectively and consistently managed at the Regional, Sector and Group levels. The Tax Policy is guided by the primary consideration that all material tax positions taken by the Company must comply with applicable laws and regulations and with the core principles that define the Company’s relationships with its main stakeholders and govern how it conducts its business activities.

The Company’s fiscal policy is to pay taxes legally due in countries within the course of its industrial or commercial activities, without shifting value to low-tax jurisdictions. Under the same policy, cross-border transactions are conducted on an arms-length basis in accordance with applicable laws and regulations, including OECD Guidelines where applicable. Secrecy jurisdictions or so-called ‘tax havens’ are not to be used for the avoidance of tax.

The Company’s annual tax disclosures are included within the financial statements and accompanying footnotes available on the [Company’s website](#).

5.1.5 MANAGEMENT OF RISK AND OPPORTUNITIES - CONTINUOUS IMPROVEMENT

GRI 102-15

GRI 103-1

GRI 103-3

The Chief Audit and Compliance Officer periodically conducts a Compliance Assessment to ensure that the Ethics and Compliance Program identifies compliance risks, takes proper steps to mitigate such risks, and does so in an efficient manner. The identification of compliance risks includes communication and collaboration with the ERM and Audit functions, as well as the integration of information from various relevant sources, including the Integrity Helpline channel. Mitigation steps include training, communication, third party management, and disciplinary enforcement for violations of the Code. Every functional element of the program is subject to analysis for continuous improvement, benchmarking, and audit. Opportunities for improvement are compiled and periodically reviewed by the Ethics and Compliance Committee.

In line with directives from the Ethics and Compliance Committee, and with the principle that an ethics violation in these areas could be materially adverse to the Company, the Chief Audit and Compliance Officer devotes special focus to the following areas of the law:

- **Competition:** we believe in robust and fair competition in the marketplace, and strongly support the benefits it provides to our customers. Competition also promotes innovation. We strictly follow the competition laws that apply to our business all over the world.
- **Responsible relationships with our external stakeholders:** we understand that the success of our business depends on our ability to interact effectively with governments, customers, suppliers, and civil society at large. Based on the experiences of its predecessor entities, Stellantis works diligently to increase transparency in all dealings with its all stakeholders, including unionized labor, suppliers, business partners and NGOs.
- **Export Controls:** our specialists around the world classify our products with an intention to ensure compliance with regulations that restrict trade in furtherance of national security objectives. Our team also ensures that we are in compliance with economic sanctions that restrict or prohibit trade in certain countries or with designated companies or individuals.

- **Lobbying and Public Affairs:** our relationship with governments is respectful, proactive and transparent. We monitor applicable legislation and regulations, and we bring our expertise to the development of regulations and standards that are responsive to the needs of our customers, communities and other stakeholders. The Public Affairs Department is dedicated and trained to ensure an efficient and fair working relationship with governments, in full compliance with the law. It also oversees the enforcement of Stellantis's policy that no Company funds or assets may be used for contributions to any political party or candidate. The regional heads of the Public Affairs Departments report to the General Counsel and to the appropriate country or regional Chief Operating Officers.
- **Data Protection:** Stellantis considers the personal rights and privacy of each individual to be fundamental and intends to protect them. Stellantis works to comply with privacy requirements by applying to Company processes the principles relating to the processing of personal data such as lawfulness, correctness, transparency, data minimization, conservation and purpose limitation, integrity and confidentiality.
- **Anti-Corruption:** corruption has a corrosive and detrimental impact on society, and Stellantis is committed to taking affirmative steps to prevent it in its business, which include training and know-your-partner due diligence controls. Multiple anti-corruption laws with territorial and extraterritorial application apply to Stellantis, such as the U.S. Foreign Corrupt Practices Act, France Sapin II, and the United Kingdom Bribery Act.
- **Tax:** the Company believes that taxes are key contributors to the economic and social development of the communities in which we operate and play a vital role in creating long-term value. We are committed to fulfilling our fiscal obligations by administering and paying all required taxes. We support the alignment of tax approaches within the regions in order to ensure fair competition. We work to maintain an open, honest, transparent relationship in all dealings with tax authorities. We do not use "tax haven" jurisdictions for the avoidance of tax.
- **Fair Trade:** with operations spanning more than 130 countries, Stellantis supports the World Trade Organization (WTO) ruled-based system and encourages international trade deals. Trade agreements foster innovation, growth and wider customer choices at lower prices. The Company favors the elimination of tariffs, as well as a greater convergence towards international standards and trade facilitation, to provide better market access by reducing technical barriers and customs procedures in both a proportional and coordinated manner.

Where appropriate, our compliance processes are not limited to complying with the law. For example, in addition to compliance with regulations regarding, integrity in business relationships, consumer protection, and personal data protection rules (GDPR), we consider other types of guidance such as OECD Guidelines, ILO conventions, UN Global Compact, and the International Monetary Fund’s initiatives for distribution of value, progressive taxation, investment in human capital, and development of inclusive growth. Stellantis is a member of professional and industrial associations in its main host countries and regions. These associations enable updates to regulations to be monitored and public authorities’ requests regarding the development of the automotive industry to be addressed, focusing on a sectoral approach.

The main organizations of which Stellantis is participates in are:

- in Europe, the ACEA – European Automobile Manufacturers’ Association;
- in France, the CCFA – Comité des constructeurs français d’automobiles (French automotive industry committee), the Plateforme Française Automobile – Automotive and Mobility sector;
- in Germany, the VDA – Verband der Automobilindustrie;
- in Spain, the ANFAC – Asociación Española de Fabricantes de Automóviles y Camiones (Spanish national association of car and truck manufacturers);
- in the UK, the SMMT Society of Motor Manufacturers and Traders;
- in the U.S., the Alliance for Automotive Innovation;
- in Canada, the Canadian Vehicle Manufacturers’ Association;
- in Mexico, the Asociación Mexicana de la Industria Automotriz A.C.;
- in Brazil, the Associação Nacional dos Fabricantes de Veículos Automotores (ANFAVEA);
- in China, the China Association of Automobile Manufacturers (CAAM).

5.1.6 CONTROLS AND INITIATIVES

GRI 103-3

GRI 205-1

The Internal Audit and Compliance Department includes regulatory compliance and the ethics and compliance program within the scope of its annual audit plan. Pursuant to the department’s procedures for the selections of topics for internal audits, the department may choose to review adherence to policies dealing with competition, anti-corruption, data privacy, export controls, and other compliance-related topics.

At appropriate times, the Company selects external parties to conduct audits of specific functions. External Audits performed by independent auditors include topics such as Integrity Helpline, emissions-related regulatory compliance, environmental health and safety, and energy management systems. The Integrity Helpline and compliance with emissions regulations as well as applicable agreements with certain governing agencies are audited by those governmental agencies, while environmental health and safety, and energy management systems are audited by an accredited ISO Certification bodies.

As mentioned above in [section 5.1.5](#) >, the Company also conducts a Compliance Assessment to ensure that the Ethics and Compliance Program identifies compliance risks, takes proper steps to mitigate such risks, and does so in an efficient manner. This process includes information from various internal sources, but also incorporates benchmarking from organizations devoted to corporate ethics, such as Ethisphere.

5.2 RESPONSIBLE MANAGEMENT OF PERSONAL INFORMATION



5.2.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

CSR ISSUE/CHALLENGE #12: Responsible management of personal information

Given today's ever-expanding connectivity and digitalization of activities, a lot of personal information are processed in the everyday's life of people, e.g. online services, online shopping, social media, Internet of Things (IoT). Internet users who are not well-versed in the legal issues surrounding the privacy of information are becoming increasingly wary. This leads more and more regulators all over the world to define privacy regulations in order to protect fundamental rights and freedoms of natural persons concerning their personal information. The European General Data Protection Regulation (GDPR¹), which entered into force on May 25, 2018, is one of the first and most complete regulation, but other countries define their own local regulation (e.g. California Consumer Privacy Act, LGPD Brazilian data protection law).

The challenges for companies consist of implementing all due processes fulfilling these regulations, especially by providing customers' clear and transparent information. Stellantis aims to maintain a relationship founded on trust by working to ensure that personal data is kept confidential and only processed for valid purposes. Because the trust of our customers, employees and other concerned data subjects is fundamental, we take actions to adhere to data protection rules.

¹GDPR General Data Protection Regulation [official text](#) ↘

For Stellantis, the collection and processing of personal data is essential to bring customers the benefits from innovative services and products, these processes are intended to ensure full compliance with data privacy regulations.

The Company is committed to the legitimate protection of consumer information and striving to ensure safety and security of data. These activities also support the Company' performance.

COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



On Software Day December 7, 2021, Stellantis mapped out its software strategy to deploy next-generation tech platforms, building on existing connected vehicle capabilities to transform how customers interact with their vehicles,

This transformation will move Stellantis' vehicles from today's dedicated electronic architectures to an open software-defined platform that seamlessly integrates with customers' digital lives. This platform is designed to greatly expand the options offered to customers who can add, with their consent, innovative features and services via regular over-the-air (OTA) updates keeping vehicles fresh, exciting and updated years after they have been built.

Company's public position

We commit to protecting customers' and employees' personal data, and more globally personal data of all categories of data subjects. Mostly based on the European data protection regulation GDPR and of corresponding regulation in other jurisdictions, we respect the privacy requirements of customers' personal data for both current customers that use products and services, and prospective customers where data is obtained via Stellantis websites, apps, in the network or in-vehicle systems.

We work to ensure that they are used appropriately while maintaining the principles relating to processing personal data such as lawfulness, fairness, transparency, data minimization, storage and purpose limitation, integrity and confidentiality.

We implement processes to respect customers' preferred contact methods to ensure that each customer has control over his personal data shared with our Company.

The protection of personal data is considered a fundamental right for customers and it is an important factor of confidence and loyalty contributing towards satisfaction.

The Company through its participation in the discussions led by local and European bodies such as CCFA (Comité des Constructeurs Automobiles Français), VDA (Verband der Automobilindustrie), ASSONIME and Unione Industriale Association (Italy), ACEA (European Automobile Manufacturers' Association), works with the European authorities to shape how the GDPR is applied to car manufacturers' activities as well as to share a common understanding of privacy regulations related to new technologies applied to connected vehicles.

The Company has already committed to the essential principles of GDPR "privacy by design" and "privacy by default" and is consistently improving the security of its data storage and exchange networks, especially with the connected car that has transformed car manufacturers into experienced players on the subject of data protection. It carries out training and awareness-raising actions within the Company and takes part in working groups among professionals to foster the exchange of best practices. It consistently monitors the fulfillment of privacy regulations and works to take appropriate action when potential issues are identified.

5.2.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #12 Responsible management of personal information Owner General Counsel >>>	Protect personal data by processing information confidentially and according to applicable data protection regulations	% of complaints raised by Supervisory Authorities from customer privacy/data protection infringements handled within 1 month (and/ or due date required by the Authorities)	2022: 100%	2030: 100%	2040: 100%	100%

5.2.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 GRI 103-2

Privacy being now considered and understood as part of the fundamental rights and freedoms of persons, protection of personal data by Stellantis is taken into account at the earliest stage possible in our activities to avoid risks for data subjects and risks for the Company in terms of compliance with privacy regulations, reputation and operational efficiency.

Of course, our first priority is to avoid risks for data subjects themselves when we process personal information of our customers, employees and other concerned data subjects.

5.2.3.1 Risks

The Company is managing three main categories of risks in this area:

- non-compliance with existing and future regulations, that may lead to fines (e.g. up to 4% of annual turnover for European GDPR): Risks of non-compliance are mainly addressed by the privacy governance within the Company ([see section 5.2.4](#) for more details), but are also addressed through the training on privacy topics of our employees and by the management of our suppliers and partners with regards to privacy topics.
- Reputational risks, that may lead to a deterioration of our image and impact on sales: Risks of reputation are addressed by providing transparent and clear information to data subjects (e.g. customers, employees) and by providing them with easy access to their personal information ([see section 5.2.7](#), for more information).
- Risks related to operational efficiency, that may lead to redevelop existing non-compliant products and service: Risks due to inefficient internal processes, in terms of personal data protection, may concern various activities of the Company, such as:
 - development of our products or services: the risks to develop non-compliant product or services (e.g. vehicles or other means of mobility's development and more generally all necessary IT development we need for our activity) with regards to privacy regulations are addressed by a strong deployment of our "Privacy by Design" methodologies, aims to include the privacy requirements to enable products and services) to fulfil privacy regulations in internal projects methods.

- Risks related to security vulnerabilities that could generate cyber-attacks or data breaches: they are addressed to handle them by operational procedures and by the global IT and cybersecurity monitoring of the Company.

5.2.3.2 Opportunities

The Company's expertise in addressing and mitigating these risks opens opportunities:

- implementing "Privacy by Design" methods and having cybersecurity standards helps the Company to develop and to commercialize new products and services in a responsible way.
- Working to being recognized as a Company that takes care of personal information of its customers and employees allows to maintain the confidence in our Company of our customers and partners for our products and services. This may notably support:
 - our business development by increasing the number and the quality of the marketing leads;
 - the improvement of our products and services and to develop new ones thanks to the data and feedbacks our customers accept to give us.

5.2.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

Stellantis has three main areas/privacy organizations related to the legal entities which formed the respective former groups (FCA and Groupe PSA) to coordinate worldwide data protection issues in order to be able to represent Stellantis for the French, German and Italian Supervisory Authorities and to manage efficiently issues on these markets.

As part of the global ethics and compliance program, the Stellantis N.V. Data Protection Officer (the "DPO") is the General Counsel of Stellantis, along with the DPOs of the former organizations who have the necessary leadership, operational and strategic skills to understand and face all related risks with strong oversight. The Company's DPOs are responsible to monitor and promote the data privacy compliance, as well as to define and provide guidance to the organization on requirements of relevant data privacy regulations.

Data protection officers are in charge of monitoring compliance with the rules of personal data protection; informing, advising and issuing recommendations; establishing the respective data protection culture; and cooperating with the respective responsible Supervisory Authorities on issues related to the processing of personal data. Two networks of in-house representatives back up the Company's DPOs:

- for business divisions: the compliance champions ([see 5.1.4.1 >](#));
- for European National Sales Companies: the privacy champions. In addition, several managers within Stellantis ensure integration by design for the protection of personal data and compliance when processing the affected activities, even when working with external subcontractors or services. Each employee is involved in respecting the Company's data protection policies.

In 2022, the Company will provide an updated governance.

5.2.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

Stellantis is merging its former data protection policies to set up the proper governance and control structures, methods and procedures, regarding the protection of personal data:

- by giving transparent information to customers, employees and other data subject;
- by improving the efficiency of consent management;
- by helping data subjects to exercise their rights regarding their personal data;
- by implementing "Privacy by Design/by Default" principles during projects;
- by improving the security of our data storage and networks;
- by monitoring potential security breaches and applying data breaches procedures;
- by ensuring the same level of data protection from our subcontractors;
- by raising awareness or training the managers and the employees;
- by monitoring and periodically auditing the organization;
- by maintaining close and confident relationships with Data Protection Authorities.

5.2.6 ORGANIZATION AND RESOURCES

GRI 103-2

In order to ensure the implementation of data privacy policies along with decisions taken by the Company, notably we have set up the following organization to respect the essential principles of "privacy by design" and "privacy by default":

- consistently improving the security of its data storage and exchange by the IT department;
- working to adapt developments methods for IT, Sales and Marketing, Mobility services, and for Engineering;
- providing privacy trainings for project managers, engineering teams (to comply with the "privacy by design" principle for vehicles and connected services) and frontlines (e.g. vendors in the dealership);
- all the employees in charge for processing the Data received the necessary operational instructions;
- operating a strong information system security policy;
- monitoring of system performance or service disruptions: the digitization of a large part of our relationship with our customers, notably now including online sales and payments makes it crucial that access to network, IT systems and data is assured at all times;
- contingency plans, to ensure business continuity in case of technical failure, human error, malicious attacks, weather events, natural disasters or terrorist attacks.

In addition, every department and concerned legal entity shall keep updated its legally required records of processing activities by communicating any changes occurred to the Company's DPOs. The Internal Audit regular audits the organization. Periodically, privacy self-assessments are conducted on the business entities to improve the awareness of managers and to measure the level of GDPR maturity. Based on the findings of Internal Audits, the results and verbatim of the annual self-assessment, and the achievement of improvement action plans, Stellantis DPOs can identify the needs in further enhancements for the internal privacy training, templates of privacy notices, templates of privacy agreements in contracts (Data Processing Agreement).

The Company participates actively in discussions led by the European Automobile Manufacturers' Association (ACEA) and by local and European bodies such as CCFA (Comité des Constructeurs Automobiles Français), VDA (Verband der Automobilindustrie), ASSONIME and Unione Industriale Association (Italy), sharing best practices to comply with privacy regulations relating to new technologies applied to the automotive sector, in particular with the increasing relevance of connected vehicles.

5.2.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3

In order to provide transparent information to customers, periodic update of all privacy statements were carried out along with the consistent improvement of information provided to customers about the processing of their personal data in the vehicle.

Moreover, the Company has implemented – and continues to implement – several measures, such as:

- in early 2021, the roll-out of a new version of the “Cookie banner” that aims to be easily understandable and customizable on Company’s websites;
- implementation of two customer central privacy organizations dedicated to the automotive brands to answer to the questions and requests of our customers, to respond to the right of access, the right to be forgotten etc., helping consumers to exercise their rights regarding their personal data.

Aimed at improving the efficiency of consent management, during the year, the Company checked privacy statements to detect non-compliant consent issues, also leveraging on the design and implementation of a central tool for consent management.

To ensure the same level of Stellantis data protection from the Company’s business partners, a template of the GDPR addendum to supplier contracts “Data Processing Agreement” has been defined based on the templates provided by European Union; and our buyers are expected to be trained on using these documents.

Further periodic meetings were held with the CCFA according to the approach of the French Data Protection Commission (CNIL), which governs contact with the professional associations, as well as in Germany and Italy directly with the local Supervisory Authorities.

Referring to the relation with the French Data Protection Commission (CNIL), the Company was involved in an active process leading the CNIL publication of a “conformity package for connected vehicles”, which explains how privacy regulations apply to the vehicle and connected services to be raised at European level. The CNIL publication has been published early 2021 after having been discussed at ACEA level in 2020, especially with the participation of Stellantis. In 2021, the Company continues also to actively participate in discussions led by ACEA.

Infringement of consumer privacy regulations¹

GRI 419-1

As referred to in paragraph “Risk Management” of **form 20-F Report**, the Company is subject to governmental investigations and legal proceeding on privacy. The Group in the 2021 has not received any final judgment and sanctions.

With the aim to monitor the data management processes, Stellantis examines the following indicators that could represent a warning on the privacy compliance:

INCIDENTS AND BREACHES 2021	
DATA BREACHES	All data breaches are managed under policies implemented in and promptly managed engaging all the main stakeholders in time and addressing the necessary countermeasures. The activity is performed in strict coordination with the Information and Technology Dept., Cyber Security Dept. and our legal team.
CUSTOMERS CLAIMS	All the Stellantis Companies/Data Controllers, if requested by the local regulations, provide in the privacy notice the contact details to exercise the data subject rights. The DPO teams are constantly involved in the process to manage the data subject requests.
AUTHORITY REQUESTS AND INSPECTION RESULTS	All the Authority requests are promptly managed with the support of the DPO teams. In 2021 the Company did not received any prescriptions and fine.

¹ GDPR and local data protection regulation, European scope

5.3 RESPONSIBLE INFORMATION TO CUSTOMERS



5.3.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

CSR ISSUE/CHALLENGE #13: Responsible information to customers


Stellantis works to provide responsible information to the customer and to align its marketing practices with sustainability guidelines. The Company strives to be transparent by adhering to fair marketing practices in its consumer-facing communications. We are committed to accountability of information in customer facing communications also when it comes to environmental issues in line with applicable regulations (including CO₂ reduction, protection of biodiversity and natural habitats), health and safety.

Stellantis has set requirements for the marketing operations to achieve the targeted objectives. The Company also advertises its products and services in ways that follow the regional regulations and encourage responsible behavior by inviting users of mobility services such as car sharing and vehicle drivers to use them in a safe and efficient way, notably in terms of fuel economy, CO₂ emissions, and respect to the safety rules of the road.

Company's public position

Stellantis perceives Marketing's role as an opportunity to innovate, create competitive advantage, inform and educate consumers in their choices and actions. We think outlining the north star for fair, data-driven marketing practices will be the key competitive edge in the current trust revolution where consumers want to be recognized, treated uniquely, and have their personal information protected and handled carefully. On the other hand, limitations on advertising might have an impact on sales of new vehicles, advertising being a market animation tool.

Stellantis's brands, through their engagement in local and national advertiser associations, look for opportunities to participate in workshops on legal developments (i.e., environmental requirements in advertising, right for customers to refuse to be contacted by brands, etc.) and external stakeholders' expectations in terms of responsible communications and marketing to eliminate misleading advertising and unfair competition in the field of commercial communications.

For instance, in France, the Company, through its Public Affairs Department and the trade association **Union des Marques** , is following current developments of legislative proposals related to the "climate and resilience" bill and the Mobility Orientation Law.

5.3.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #13</p> <p>Responsible information to customers</p> <p>Owner General Counsel</p> <p>>>></p>	<p>Provide accurate and comprehensive information to consumers through responsible marketing practices in all mass market communications, and engage them with direct communication only when they request it.</p>	<p>Number of convictions of non-compliance concerning:</p> <ul style="list-style-type: none"> - product and service information and labeling - marketing communications 	<p>2022: Zero convictions Worldwide</p> <p>Explore partnership with external reference organization at worldwide level (such as WFA and Planet Pledge program) for implementation in 2023</p>	<p>2030: Zero convictions Worldwide</p>	<p>2040: Zero convictions Worldwide</p>	<p>No material convictions noticed</p>

5.3.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

The Company's continued success is dependent on having a deep understanding of our customers while taking into account the challenges and the opportunities to address changing consumer expectations and emerging trends by offering an attractive portfolio of products.

5.3.3.1 Risks

The marketing practices are designed to reduce and mitigate risks the Company might be facing:

- customers' expectations of brands with respect to the environment and sustainability may not be aligned to brands' awareness to make a difference, particularly to help customers make better and conscious choices. Brands risk losing customers to competitors if they don't guide them along their sustainable journey;

- in addition, our business operations and reputation may be impacted by various types of claims, lawsuits, and other contingencies in case of noncompliance which could have a material adverse effect on our business, financial condition and results of operations;
- with the global access to digital marketing assets, the Company can be also exposed to fines if some assets from other countries are accessible and non compliant with local regulations.

5.3.3.2 Opportunities

Responsible marketing practices open opportunities for Stellantis:

- communication recognized as responsible, transparent and easy to access (making content available to all), allowing customers to be more aware when choosing a product (products and services) contributes to differentiate Company's products encouraging customer loyalty;
- marketing teams leverage their expertise to define brand strategies and implement plans that answer questions also related to environmental and societal challenges

including transparency, responsiveness and diversity. An effective brand strategy and a clear set of brand values therefore helps brand management teams capture market opportunities, implement long-term visions and support Stellantis' contribution to shape a more sustainable future;

- a fair brand enhances a company's reputation, on the other hand, any unfair behavior can affect corporate intangible assets. Fair branding provides Stellantis with a differential advantage as a growing number of consumers become more conscious.

5.3.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 102-17 | GRI 103-2

The Chief Sales and Marketing Officer, who is a member of the Top Executive Team and reports directly to the CEO, is responsible for a Stellantis common marketing strategy supported by CEOs of the brands, tasked with all aspects of brand strategy mission, development and positioning. Each brand has its own market share targets, brand image objectives and positioning, and is linked to the corporate values by a common marketing strategy. A comprehensive brand identity and or trademark review is completed for every customer communication to ensure compliance with local laws and regulations.

Stellantis offers a wide spectrum of choice from luxury, premium, and mainstream passenger vehicles to pickup trucks, SUVs and light commercial vehicles, as well as dedicated mobility, financial, and parts and service brands.

The focus of the Marketing and Communications organizations is to increase the value of the brands through the development of a strategic vision for the business, on-brand marketing materials, and consumer facing communications that intend to excite and create demand for our brands and products, and to realize relevant synergies and to share best practices.

Being aware that an effective brand strategy and a clear set of brand values can support the Company to implement corporate long-term visions, the Chief Sales and Marketing Officer leverages its internal committees such as the Monthly Global Sales and Marketing Committee and the Brand Committee to coordinate marketing strategies, define priorities, ensure consistency and alignment with corporate values and implementation of responsible practices across regions.

The fulfillment of each brand strategy needs the alignment of all brand employees, as their individual commitment drives the performance of a model and/or country, efficiency of processes and sales volumes. Those efforts contribute to the achievement of the brands' targets.

5.3.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

Aware of the social role that advertising plays, the Company has adopted customer-centric positive values, and a responsible approach to communication, and a sense of care towards future generations. Stellantis aspires to:

- provide accurate and comprehensive information through responsible marketing practices in all mass-market consumer communications only to customers who choose to receive this information. This commitment concerns all public-aimed advertising or communication broadcast on traditional media channels (TV, radio, billboard, press, etc.), on internet (websites, social media, emailing, mobile applications, online games, direct marketing, etc.) as well as commercial messages of any kind whether in print, sales promotion and merchandising materials;
- honestly and clearly communicate with customers regarding environmental responsibility, allowing them to identify the most efficient vehicle choice in terms of emissions reduction (i.e., **Peugeot the "POWER OF CHOICE" strategy** ↘);
- make statement and representations in advertising comply with all relevant laws and regulations in the local country and design processes to help advertising, marketing and media communications to be truthful and reflect the Company's fair sense of social and environmental responsibility contributing to the development of the next urban landscape (i.e., **Citroën Autonomous Mobility Vision** ↘).

5.3.6 ORGANIZATION AND RESOURCES

GRI 103-2

Stellantis and its brands' public-aimed communication and marketing are aligned with its corporate positive values and with best marketing practices. Stellantis aims at meeting five major commitments, inspired by the French **FAIRE Programme's** ↘ expectations:

- **COMMITMENT 1:** creating responsible messages - Stellantis ensures the messages disseminated are clear and truthful and are attentive to their impact on society.
- **COMMITMENT 2:** eco-social-design for communication materials - Stellantis limits the environmental and social impact of its communication materials.
- **COMMITMENT 3:** maintaining control over communication broadcast and distribution - Stellantis maintains control over the distribution of its communication and uses the data collected responsibly.
- **COMMITMENT 4:** transparency and communication of commitments - Stellantis commits to transparency and education geared toward its stakeholders.
- **COMMITMENT 5:** responsible relationship with partners - Stellantis maintains a fair and responsible relationship with its partners.

Specific organizations are involved with the development and review of advertising, marketing and other media communications such as Legal Department, Vehicle Safety and Regulatory Affairs, Manufacturing, among others to assure that any statements and representations made in advertising are accurate and properly substantiated.

The Company's brands also interact with several advertising industry associations at national levels. These associations provide them with high level strategic and operational support aligned to brands' interests and represent a privileged opportunity to increase the network of relationships and contacts. Bringing together several brands at local and national levels, they create a global network which offers a unique source of leadership, expertise and inspiration.

For example, in Europe some brands submit all their new advertising communications to their legal departments and to national advertising regulation agencies and in France to the Autorité de Régulation Professionnelle de la Publicité (ARPP) to ensure that their content does not contain stereotypes. They are committed to using the Union des Marques (UDM) grid, which has been officially presented to the Brand Content teams and agencies.

Training on responsible marketing practices and responsible use of social media

Legal Department provides updated guidelines and training on advertising regulations to the brands employees.

In addition to operational guidelines provided to all employees as regards the use of social media, training modules on responsible marketing practices and on responsible use of social media are conveniently delivered to marketing and communication employees.

During 2021, employees in North America began receive communication regarding the responsible use of social media through a dedicated short video about rules expected to follow and apply.

5.3.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 102-16

GRI 103-3

IMPACT MEASUREMENT OF ELECTRIFICATION AND SOFTWARE STRATEGY



Stellantis Brands' attributes

During the EV Day held on July 8, 2021, Stellantis presented a comprehensive electrification strategy delivering class-leading vehicles for the Company's iconic brands, partnerships and joint ventures for advanced technology at affordable prices.

"The customer is always at the heart of Stellantis and our commitment with this €30 billion plus investment plan is to offer iconic vehicles that have the performance, capability, style, comfort and electric range that fit seamlessly into their daily lives," said on that day Carlos Tavares, Chief Executive Officer, Stellantis.

In line with this announcement, on December 7, 2021, Stellantis unveiled its software strategy to shift to a mobility tech company, confirming that each of Stellantis' brands are focused on using software to the benefit of its customers.

Affordability is a priority at Stellantis, as the Company is targeting for the total cost of ownership of EVs to be equivalent to internal combustion engine vehicles by 2026. Each of the Company's 14 brands is committed to offering fully electrified solutions and doing so in a way that enhances the DNA of our brands. Stellantis revealed the statements expressing each of the brand's electrification approach.

Stellantis EV Day 2021, Customers and Brands video 

To leverage this, Stellantis and its brands' public-aimed communication and marketing are aligned with its corporate positive values and with best marketing practices.

Stellantis aims to meet its five major commitments, inspired by the French FAIRE Programme's expectations.

The following examples usually apply to more than one Brand at a time and are given for illustration purposes only.

STELLANTIS BRANDS' ATTRIBUTES

Brand's electrification approach ■
Software strategy ■

Global SUV



« Zero Emission Freedom » « Freedom, Connected »

American brands



« Clean Technology for a New Generation of Families »

« Built to Serve a Sustainable Planet »

« Tear Up the Streets... Not the Planet »

« Transforming Connected & Clean Mobility »

« Built to Serve a Connected Future »

« Software Builds Muscle »

Upper mainstream



« Green is the New Cool »

« Turning Sustainable Mobility into Quality Time »

« Detox to the Max »

« Amplified Connected Pleasure »

Core



« Citroën Electric: Well-Being for All! »

« Software upgrades the Citroën well-being »



« It's Only Green When It's Green for All »

« We Plug, You Play »



« Heating Up People, But Not the Planet »

« Wired For the Thrill »



« The Global Leader in e-Commercial Vehicles »

Premium



« From 2024, Alfa Romeo Becomes Alfa e-Romeo »

« Enhanced Sportiness, Human Driven »



DS AUTOMOBILES

« The Art of Travel, Magnified »

« A New World of Services at Your Fingertips »



« The Most Elegant Way to Protect the Planet »

« Effortless Future »

Luxury



« The Best in Performance Luxury, Electrified »

« Pure Maserati »

COMMITMENT N.1: Creating responsible messages - Stellantis ensures the messages disseminated are clear and truthful and are attentive to their impact on society

This was made possible in 2021 through three main areas of focus:

■ **Responsible communication guide and validation process**

All brands have an approval process in place for communications in compliance with legal and regulatory requirements in the regions where they operate and broadcast such messages.

■ **Fighting Stereotypes**

Stellantis and its brands analyze their communications to identify use of stereotypes, and take the results into account when planning future campaigns.

Fighting Stereotypes

On this respect, some campaigns created in Europe go through a regulatory clearance via bodies such as Autorité de Régulation Professionnelle de la Publicité (ARPP, France) or Clearcast (UK) whereas campaigns created in North America are validated by a specific consultant agency, specialized in these topics.

In North America, the Jeep and Ram Brands partner with a black-owned media agency serving as a consultant to ensure their general market advertising does not include stereotypes and is respectful to people of color.

This same commitment has been implemented through the Citroën C3 advertising campaigns and the Grand Cherokee L launch campaign.

In addition, Peugeot also commits to gender equality. The customer greeting teams at car shows are made up of equal numbers of men and women.

■ **Representing and promoting responsible behaviors**

When portraying the use of its products and services, Stellantis and its brands remain focused on topics such as sustainability and circular economy principles.

Circular economy

In 2021, in addition to direct promotion of spare parts from reused and remanufactured spare parts in the garages, circular economy initiatives are promoted in some regions on social media across Stellantis brands to inform consumers and increase their awareness.

Brands also strive to promote responsible behaviors through their online (websites, apps, etc.) and offline (TVCs, print, etc.) communication tools. This is made possible in advertising through complying to the local traffic regulations, ensuring diversity is of the essence and promoting the adoption of new energies as a better environmental choice.

Brand apps

The MyDS services allow customers to track and optimize the energy consumption of their vehicles, enable Online Booking for service appointment, allow Send-to-Nav and introduces Remote LEV services (charge and preconditioning control). These apps can be downloaded free of charge on all smartphones.

Drive the New 500 and collect KIRI Coins

The more km you drive with the New 500, the more KIRI coins you can collect. The New 500 rewards customers' driving style thanks to KIRI. KIRI is the first, eco-friendly digital coin. It is the symbol of a world that is changing perspective and in which driving the future means gifting yourself the present. Thanks to the FIAT app, customers can check their digital wallet, access the KIRI portal and use the KIRI Coins immediately for an exclusive range of eco-friendly fashion and design products. The best sustainable drivers can also have access to an extra prize to be spent on several e-commerce, digital and media service platforms.

Analysis of the driving style of New 500 customers, using the eco:Score index, has shown that the best participants in the contest drive up to 20% more efficiently than the average. This has a direct positive impact of 20% on charging costs and on the range of the New 500. The eco:Score function forms part of Uconnect™ Services, assigning a score from 0 to 100 for the efficiency of driving style. This helps drivers to improve energy consumption in real time and thus to increase the car's range.

Innovative approach to sustainable mobility

Citroën offers innovative approach to sustainable mobility and helps transform the Greek island of Chalki into a smart and zero emission island. Chalki becomes the first GREEK-ECO island, where Citroën provides the mobility of all public services with a fleet of six vehicles to begin with. A wide range of solutions will also be proposed to the island residents to give them access to electric vehicles at a reasonable cost. Citroën wants to make electrification and progress accessible to everyone in [Chalki](#).

Other events which marked 2021 are:

- The prestigious “International Van Of The Year 2021” (IVOTY) award honoring the Peugeot e-Expert, Citroën ë-Jumpy, Opel Vivaro-e and Vauxhall Vivaro-e range
- The CITROËN ÉLECTRIC DRIVE event where the strategy of electrification in response to the new mobility needs was presented to international media
- The celebration of Citroën Ami's first anniversary, showing our commitment to urban zero emission solution
- The launch of the PEUGEOT e-208 GT in Brazil which represents a major repositioning of the Brand, one of the strategic pillars of which is "Move To Electric".

Citroën Autonomous Mobility Vision

In 2021, Citroën, in partnership with Accor and JCDcaux within The Urban Colléctif, unveiled its new concept of urban mobility: the Citroën Autonomous Mobility Vision.

This solution offers a new form of shared, electric and autonomous urban mobility designed to optimize and re-enchant everyone's travel and thus sustainably improve the quality of life in the city.

The Citroën Autonomous Mobility Vision concept combines the Citroën Skate, a high-tech and universal mobility platform, with new Service Pods each offering a unique experience to explore cities in a new way. To illustrate this vision, The Urban Colléctif has developed 3 innovative pods, Sofitel En Voyage, Pullman Power Fitness and JCDcaux City Provider, each of them showcasing an bespoke experience of an autonomous drive in the city.

This new concept invented for the urban mobility of tomorrow relies on an open-source approach: the Citroën Skate platform designed to accommodate all compatible Pods developed by a partner, thereby expanding mobility and service offerings.

A transparency approach on vehicle's real consumption

Stellantis has taken a unique approach to customer transparency by publishing its vehicles' real (on the road) fuel consumption for Peugeot, Citroen and DS Automobile. Measurements were taken in accordance with a specific test protocol for ICE vehicles outlined by two NGOs and audited by an internationally renowned independent organization. In 2021, this transparency approach was pursued by continuing to publish the results of real consumption tests on its thermal vehicles, carried out on the basis of this protocol. Moreover, the Company chose to extend this approach to their Battery Electric Vehicles, designing and publishing a new protocol on its real electric consumption on the road, which was inspired by this philosophy and audited by the same independent organization.

Labelling and information provided to customers

To improve car buyer information, the fuel-efficiency labels display each model's average fuel consumption and CO₂ emissions in line with applicable legal and regulatory requirements. Those labels allow to identify the most efficient vehicles in terms of fuel consumption and emissions reduction .

COMMITMENT 2: Eco-social-design for communication materials - Stellantis limits the environmental and social impact of its communication materials

This was made possible in 2021 through three main areas of focus:

■ Environmental and Social Criteria

Stellantis has defined a set of environmental and social criteria that applies to its printed documents, Point Of Sale advertising, stands and events. We are working hard towards applying these criteria worldwide.

As an example, in Europe, we aim at using [PEFC](#) (European Programme for Certified Forests) or [FSC](#) (Forest Stewardship Council) paper for recurrent and unavoidable publications and print only the number of copies required. Our printers have “Imprim'vert” or “Imprim'Lux” certification which testifies that they sort and recycle all their printing waste and inks.

In France, we are a member of “Citeo” (recycling company mandated by the French Government): it means that our Citeo contribution is given to local authorities to support their paper sorting and collection systems.

In various regions of the world, our brands have either stopped printing most commercial and marketing documentation altogether for several years or have strongly shifted towards e-catalogs and documentation in 2021.

Licensing, revisited for the Fiat New 500

A new generation of contemporary objects and accessories has been developed for the New 500, inspired by the concepts of aesthetics and ethics and a result of the collaboration between the Centro Stile, designers and stylists. The collection, the ideal embodiment of the 500’s philosophy, blends the values of beauty and transforms them into everyday accessories that celebrate the style, design and inimitable personality of the Fiat city car, yet always with a view to the future. This focus on sustainability has taken form in the selection of organic cotton for sweatshirts and T-shirts, and of recycled and vegan materials for bags and accessories. [Click here for more information ↴](#)

Responsible events policy at Peugeot

For trade shows, Peugeot selects suppliers who are committed to reducing the environmental impact of their stands (choice of materials used, recycling and reuse); use wood which comes entirely from sustainably-managed forests and recycle 100% of the waste from the production/demolition of the stands (wood and other materials to be recycled separately); reuse at least 35% of the stand components for other shows (floors, partitions, mezzanines, lights, screens, furniture, etc.). By factoring in the 15% of brand components which are also reused, the total of components reused in other stands is 50%.

Joint communication initiatives of brands

Peugeot, Citroën and Opel organize joint International Press Test Drives whenever they have models in common (Light Commercial Vehicles) to make better use of resources and optimise media time and attendance. In October 2021, joint Press Test Drives were organized for Peugeot e-Partner and Citroën ë-Berlingo in the region of Paris (France).

Reasoned audiovisual productions

Stellantis has committed to using local in-house teams or hiring production teams in the country where the video or photo shoots take place, whenever possible. Local and regional photo and video shootings are also encouraged as standard.

Responsible practices are also required through the production briefs issued by Stellantis or its brands to their agencies. Many audiovisual productions are designed to be used in multiple markets.

Environmental Impact of Digital Media

Stellantis and its brands have defined a set of environmental criteria that applies to their digital communication materials. For example, images are optimized to reduce file size, site navigation is clearly displayed to make it easy to find information and web-caching is enabled.

Environmental Impact of Digital Media

Opel regularly applies the following reference guidelines:

- Coalition for Better Ads Standards (avoiding the purchase of intrusive formats);
- Digital Ad Trust (respect for the wishes and comfort of the Internet user).

Opel also endeavors to working on advertising formats in line with the Internet Advertising Bureau (IAB) recommendations and prioritize advertising on websites which are certified by Digital Ad Trust.

COMMITMENT 3: Maintaining control over communication broadcast and distribution - Stellantis maintains control over the distribution of its communication and uses the data collected responsibly

In 2021, Stellantis and its brands strived to apply control over their communication broadcast and distribution through the following actions:

Controlled Broadcasting of Advertisements

Stellantis and its brands control their communication broadcasting through processes in place and audience strategies, in partnership with their advertising and media agencies. The Stellantis Responsible Purchasing Guidelines, created in

2021 includes a clause requiring suppliers to comply with the laws and regulations in force in all countries in which they operate. These Guidelines are used for all purchases made by Stellantis.

■ **Advertising Formats**

We prioritize digital advertising formats respecting user’s comfort in accordance with the available reference sources, whether they be Coalition for Better Ads Standards, Digital Ad Trust, or best practices encouraged within this field depending on the region we operate in. Our media agency adheres to Coalition for Better Ads charter, hence actively encouraging our service and media providers to use these more often.

■ **Volume of Requests and Personal Data**

Stellantis and its brands are careful to limit too numerous or inappropriate requests towards its audiences and make a proper use of personal data collected, through well-established standard processes and policies in line with applicable laws and regulations ([see section 5.2 >](#)).

All U.S. brand eMail communications are CAN SPAM compliant, allowing customers to click to the customer preference center where they can opt out of communications. Additionally, all customer data is stored in a secure environment that is monitored regularly.

■ **Considering and Including all Audiences**

Our brands aim to add subtitling for the main advertising campaigns whenever possible, especially when it comes to online material. All U.S. websites and video content meet Americans with Disabilities Act (ADA) compliance standards.

SignLive and Citroën

In 2021, Citroën UK partnered with SignLive, the leading British Sign Language (BSL) online video interpreting service, to offer customers the ability to communicate with its entire 190 Citroën retail and aftermarket network using British Sign Language (BSL).

There are 11 million deaf and hard of hearing people in the UK, and over 150,000 British Sign Language users – Citroën is aware that English is not the only language for many of its customers. Citroën UK pledges to enhance accessibility for the deaf community across its business as part of its "The French Car that Speaks your Language" initiative, including across advertising. [More information is available here ↴](#).

COMMITMENT 4: Transparency and communication of commitments - Stellantis commits to transparency and education geared toward its stakeholders

Our responsibility as a Company is to create sustainable and shared value for our stakeholders. Our customers, employees, investors, suppliers and communities expect us to make a positive contribution to the economy, society and the environment. Exchanges with our stakeholders and social groups improve mutual understanding and our ability to anticipate risks and identify opportunities for value creation, key elements of the Stellantis approach.

■ **Communication of commitments**

Stellantis communicates towards all its stakeholders regarding its environmental and social commitments in its corporate communication and in dedicated events such as EV Day and Software Day. In addition to the CSR report, summarizing our policies and achievements on those topics, Stellantis CSR visions, CSR disclosures and presentation of stakeholder dialogue are available on the dedicated section of the [corporate website ↴](#).

Some Stellantis brands have specific environmental visions and some communicate towards their goals and achievements on their own websites, such as the one by [Peugeot ↴](#).

■ **Transparency and education for a responsible use**

Stellantis and its brands inform their stakeholders about the environmental and social impact of their products/services and educate them to encourage a responsible use. This is the case through our circular economy initiatives, but also regarding the daily use of our products and services.

Citroën Advisor

Citroën Advisor, AFNOR-certified in France since July 2015, is Citroën’s online review site where customers can give their opinion on the service they received at the point of sale (Advisor Dealer), the product purchased (Advisor Product) or the salesman (Advisor Salesmen). At the end of 2021, Citroën Advisor listed over 391,000 customer reviews with an average rating of 4,8/5 and had been rolled out in 67 countries.

Brands Apps

Our brand apps inform and educate existing customers, supporting them in acting in a more responsible way (regarding fuel consumption, maintenance, etc.).

When it comes to responsible mobility, the Jeep and Fiat brands also developed a specific app called “Go-e” (i.e., GO 4xe LIVE and Fiat GOe LIVE) in Europe to promote electric mobility, highlighting the benefits to users and support the launch of their electric models.

In addition in 2021, the experts from Fiat Professional and Stellantis e-Mobility have worked in close collaboration to create a functional web tool, Pro Fit by E-Ducato, designed for anyone interested – specifically addressed to fleet managers and freelancers – to find out about the advantages of the new electric version of the Ducato, the Fiat’s first zero-emissions commercial vehicle.

COMMITMENT 5: Responsible relationship with partners - Stellantis maintains a fair and responsible relationship with its partners

Stellantis Responsible Purchasing Guidelines were created in 2021 and signed by the Company’s accredited suppliers. They govern most of the topics developed below:

■ **Environmental and Social Commitments from Partners**

Stellantis Responsible Purchasing Guidelines, created in 2021 includes environmental and social criteria (consistent with the spirit underlying the ILO recommendations) as supplier selection and retention in the Stellantis Supplier panel are guided by corporate and social responsibility (CSR) criteria.

Waste management policy

In France, some of Stellantis brands are working with a supplier specialized in the production and design of stands and event spaces that implemented the ISO 2021 certification - an international standard for the responsible management of event activities, and is processing its wastes in a strict manner, in order to enter into a circular economy logic.

This supplier has thus equipped its two French sites with specific waste collection channels to sort out various materials after each event: wood, paper, cardboard, floor coverings and paint canisters.

A Sustainable Policy has also been signed with Stellantis.

■ **Transparency, Truthfulness and Accountability in Calls for Tenders**

We strive to uphold the principles of transparency, truthfulness and accountability in calls for tenders. On top of this, our Code of Conduct, which can be accessed by all employees, includes a transparency, integrity and loyalty rule for relationships with suppliers and service providers.

More specifically, all Company employees must refrain from any anti-competitive practices.

■ **Balance in Daily Relations**

Stellantis and its brands naturally strive to maintain a balance in their daily relations with partners and regularly discuss these to plan for any corrective actions that might be needed.

6

PROMOTING PROTECTION AND IMPLEMENTING RESPONSIBLE USE OF NATURAL RESOURCES

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STELLANTIS' CSR MACRO-RISK/PILLAR V. PROMOTING PROTECTION AND IMPLEMENTING RESPONSIBLE USE OF NATURAL RESOURCE

The global economy is facing the challenges of increasing scarcity and an over-use of natural resources (water, minerals, raw materials, rare earths, etc.) combined with their geographical concentration. The United Nations' Sustainable Development Goals confirm the urge to find solutions both for the environment and political stability, which are key levers of sustainability for companies like Stellantis.

In this context of scarcity of natural resources, preserving them, including the quality of the air, a precious natural resource on which human health depends, and reducing our dependence on water and raw materials are both a question of environmental responsibility and of sustainability for businesses. Automakers need to rethink the materials adopted in mobility devices and their production processes.

In order to save resources while providing new sources of income, Stellantis has strengthened the sustainable and circular economy approach, by conducting LCA studies on vehicles, deploying engineering research and development around new more sustainable materials, the recovery of parts and materials and improving manufacturing processes. Stellantis strives to improve the performance of our factories by reducing water consumption, managing the quantity and disposal of waste and other nuisances generated by production, while integrating the need to protect the biodiversity of the surrounding areas. We design vehicles with the goal to reduce the environmental impact including when the vehicle has reached the end of its useful life.

6.1 WISE USE OF MATERIALS IN THE VEHICLE LIFE CYCLE (INCLUDING PRODUCT RECYCLING)



6.1.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1 GRI 103-2

CSR ISSUE/CHALLENGE #14: Wise use of material in the vehicle life cycle (including product recycling)

By 2060, the Earth is expected to have ten billion people whose average income might be equivalent to that of the richest countries today. The [OECD](#) estimates that the use of raw materials will double to meet this growth, exerting twice as much pressure on the environment.

Stellantis understands the challenges connected to this trend and is working to extend the lifespan of products and reduce the use of natural resources within a circular economy approach. We are making progress and developing ways to increase the use of renewable and recycled materials, in using reused, repaired and remanufactured parts to continue the vehicles in service including traction batteries and in processing end-of-life products and vehicles in a responsible manner with a focus on batteries from electrified vehicles.

We are working to overcome the use of hazardous substances targeted by regulations such as, REACH. We are also working to find alternatives for the use of rare and precious resources which are often indispensable for nanotechnologies. In some cases, these materials are required for connected vehicles and technologies making them dependent on their availability.

Company's public position

The principle of a circular economy is embedded into Stellantis's business approach, focusing on reducing waste in the value chain from vehicle design through production, distribution, use and reuse of materials.

Stellantis promotes the repair of its products and, as such, develops a range of remanufactured spare parts and offers second-hand parts and a spare parts repair service. Through its action within a representative structure of automobile manufacturers such as, for example, the Association of European Automobile Manufacturers (ACEA) or the Automotive Industry Platform (PFA), it also supports the development of a harmonized methodology for measuring the rate of incorporation of recycled and natural materials.

The Company promotes the adoption of best practices by EU Member States to implement the EU Directive on the treatment of end-of-life Vehicles (ELV). It advocates for a higher output (ELV pollution and dismantling parts, shredding, post-shredding, and recycling materials) of the recycling industry and its professionalization. By incorporating efficient processes to recover quality materials for new battery development, Stellantis is actively working on future solutions for end-of-life batteries and complying with responsible materials sourcing rules (for more information, [see section 7.1.1](#)) in the global battery value chain.

Stellantis, since 2020, along with 10 other OEMs, are jointly developing actions to voluntarily improve the social, ethical and environmental performance of automotive supply chains under the umbrella of the Drive Sustainability Initiative.

6.1.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #14 Wise use of material in the vehicle life cycle (including product recycling) Owners Chief Engineering Officer >>>	Innovate with eco-design and leverage end-of-life opportunities in a circular economy approach to reduce the use of natural resources and the environmental impact to the lowest possible level.	Percentage of Green Materials (includes renewable and recycled content with lower carbon footprint materials) on total vehicle weight	2025: launch the first vehicles containing 25% of Green Materials	2030: launch the first vehicles containing 40% of Green Materials	2050: continue to reinforce Green Materials content in the future vehicles	Green Materials applied on vehicles in major regions
		Availability of solutions to optimize High Voltage Batteries lifespan and End of Life through Repair, Remanufacturing, 2nd life, Recycling	2025: at least one solution is implemented for each High Voltage Battery sold in EU, NA, China	2030: at least one solution is implemented for each High Voltage Battery in all countries where EVs are sold	2050: all solutions implemented in all countries where EVs are sold	

6.1.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

The automotive industry is facing a transformation that is impacting several aspects of its business: the materials used to build a vehicle are a key issue OEMs need to tackle. Stellantis has identified four types of risks in this area and implemented mitigation measures which open the way to opportunities of gaining competitive advantages or creating new businesses.

RISK#1: Scarcity of critical materials

The availability of limited resources could generate scarcity of materials, included those critical.

Stellantis defines the criticality of a material according to three criteria:

- **use criticality:** materials where there are currently no alternatives, that are used for special features and which are important for competitiveness;
- **supply criticality/potential scarcity:** limited global quantity or unreliable supply chains;
- **CSR criticality:** the extraction or use of these materials is questionable from a CSR viewpoint such as environmental impact and breach of human rights.

Transition to electrified vehicles is generating need for new raw materials such as lithium, nickel and cobalt. Demand for the materials needed for nanotechnologies is greater than ever. Rare earths show tensions in their market. Some stages of the polymers production process show a high concentration of among a small number of suppliers.

In order to mitigate the related impacts such as the increase in production costs, supply chain disruptions or delays and dependency following measures are implemented (see section 6.1.7 >):

- limit and reduce the use of critical materials;
- identify and monitor materials considered as strategic;
- develop alternative materials to substitute those critical materials;

- sign contracts with critical material suppliers such as the lithium geothermal partners to secure supply;
- use LCA extensively to measure and reduce environmental impacts.

In addition, in order to address the challenges of accessing sustainable raw materials, Stellantis partners with the **European Raw Materials Alliance (ERMA)** ↘. Stellantis participates in a working group oriented on rare earths for e-machine used for permanent magnets. The other working group will cover raw-materials for batteries.

Stellantis has launched several initiatives, which open technical and business opportunities:

- develop a dual chemistry strategy based on two cobalt free batteries from 2024 (see section 2.5.3.2.4 >);
- increase circular economy opportunities, using materials and designing components that are easier to recover and recycle at the end of their life, recycling materials that are becoming scarce and reusing them inside or outside the automotive sector (for more information, see section 6.1.7 >);
- reuse or remanufacture part to reduce demand (see section 6.1.7 >);
- use of Green Materials such as recycled or material of natural origin (see section 6.1.7 >).

RISK#2: Increased regulations on hazardous substances

Regulatory requirements regarding the use of hazardous substances that can impact the environment together with the health and safety of customers and employees could increase in the future.

In order to mitigate the related impacts such as costs of potential non-compliance as well as cost and availability of substitute materials, following measures are implemented (see section 6.1.7 >):

- factor regulatory requirements regarding the use of hazardous substances into the phases of the vehicle life cycle;
- reduce and eliminate hazardous substances such as limiting Volatile Organic Compounds (VOCs) in the materials used and substituting some substances used as plasticizers or flame retardants that are targeted by regulations such as REACH;

- monitor traceability of regulated substances contained in vehicle parts and materials, notably by working closely with suppliers to achieve compliance of vehicles and parts sold.

Stellantis has launched several initiatives, which open technical opportunities:

- anticipate regulations by mastering impact of possible future changes;
- improve cabin health and safety voluntarily introducing technical solutions such as filters for air flow ([see section 6.1.7 >](#)).

RISK#3: Increased regulation on End-of-Life processes

Changes in End of Life Vehicles (ELV) regulations could affect the dismantling and recycling sector by adding additional requirements to the Authorized Treatment Facilities (ATFs), increasing the responsibility of the OEMs to manage the entire end-of-life handling process. In some regions of the world such as EU and China, legislation requires producers to ensure treatment at the end-of-life of High Voltage Batteries (HVB).

The EU has initiated a review process which will increase producer’s obligations and generate the likely risk of additional surcharges.

The value of an entire ELV from reused parts and recycled materials cover all cost related to collection, depollution and dismantling as well as recycling and recovery of all material streams.

Impacts resulting from the combination of cost increase and reduced revenues can be explained by the increase of producer’s obligations on the global ELV process. This trend is reinforced by the HVB end of life treatment.

In order to mitigate these impacts, following measures are implemented:

- use materials and design components that are compatible with the circular economy, focusing on the need to recover and recycle end-of-life vehicles;
- deploy responsible process of end-of-life products specifically the vehicles and batteries from electrified vehicles ([see section 6.1.7 >](#));
- work with stakeholders and authorities to define optimized ELV management structure.

Stellantis has launched several initiatives, which open technical and business opportunities:

- develop a Circular Economy Business Unit to offer customers the option of reused parts, generating additional revenues and economic balance of the process;
- participate in or acquire innovative startups such as Amanhã Global ([see section 6.1.7 >](#));
- reduce the variety of plastics to facilitate sorting after shredding and improve profitability;
- use a single family of plastics per core function so that an entire sub-assembly can be recycled without dismantling;
- mark plastic parts with standardized codes for identification, sorting and traceability;
- introduce green materials (recycled) into vehicle design to support the development of recycling opportunities ([see section 6.1.7 >](#)).

Specific impacts of upcoming regulations notably in EU and China might lead to increase the producers’ obligations and generate the likely risk of additional costs. To mitigate this risk, Stellantis is implementing measures to reduce logistics costs, extend the HVB lifespan before recycling through repair and remanufacturing or repurpose the HVB or its components for energy storage outside of the automotive sector with possible revenue generation.

RISK#4: Low environmental and human rights respect in supply chain during extraction phase of some minerals

Some raw materials or minerals could come from a region of the world where environmental and social regulations are not aligned with the Company’s values and standards or where conflicts are open (Tin, tantalum, tungsten and gold - also known as 3TG - are “conflict minerals” for which the mining can provide a source of funding for war).

Companies are working to meet growing expectations of stakeholders (including shareholders, employees, customers and NGOs) to take responsibility for their supplier’s environmental and social practices.

In order to mitigate the related reputational or financial impacts in case of litigations, following measures are implemented:

- implement a due diligence process which strives to limit the use of materials from responsible supply chains respecting human rights and the environment (for more information, [see section 7](#) >);
- introduce a traceability system for supplies that contain conflict minerals (for more information, [see section 7.2.4](#) >). Stellantis pays particular attention to the materials used in batteries for electrified vehicles through the supply chain and supports initiatives for innovative supplies of raw materials;
- develop partnerships such as the European Raw Materials Alliance (ERMA) (for more information, [see section 6.1.7](#) >).

NANOTECHNOLOGIES IN THE AUTOMOTIVE SECTOR

Nanotechnologies are a relevant illustration of the combination of those risks while demand for the materials they require is greater than ever in the context of the increased appetite for connected objects. This trend also affects the automotive industry. Metals used to support nanotechnologies experience market tensions and are increasingly harder to mine: the metal content of the ore is decreasing, while mines currently operated show lower concentrations which implies more and more processing. Stellantis is focused on limiting and reducing the use of these metals and increasing the recovery during the recycling phase.

6.1.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

A materials strategy monitored at strategy council level

The Global Purchasing and Supply Chain EVP and the Engineering EVP, both direct reports to the CEO, and members of the Top Executive Team and the Strategy Council are responsible for the materials strategy. Mapping of material risks for both current and forecasts, is performed according to specific criteria for each raw material.

Some of the criteria include:

- significant contribution to develop existing technologies;
- scarcity and geographic location;
- social and environmental impacts including recyclability and extraction or production conditions;
- geopolitical or logistic accessibility;
- cost and share of Stellantis needs compared to global market demand and market players.

Based on this risk mapping, the EVPs validate the R&D roadmap on substitute materials or alternative supplies, to manage and secure the Company's sourcing over the long-term, notably through collaborative actions with metallurgy and mining industries.

The Finance Department performs cost monitoring on materials in connection with operational purchasing plus research and development teams. Their goal is to anticipate and manage cost developments, help diversify and monitor the most strategic supplies. In the context of increasing scarcity and costs of raw materials on the long-term, the supplier relationship is a lever to implement the Company material and product development policies. Stellantis focuses its efforts on the materials used in batteries for electrified vehicles through the supply chain (for more information, [see section 7.1.3](#) >) and supports initiatives for innovative supplies of raw materials.

A Circular Economy Business Unit

Stellantis leverages its knowledge and experience of recycling and has created a business unit dedicated to the circular economy. In order to better master the material scarcity, the aim of the business unit is to build a sustainable and profitable business based on circular economy principles in the markets where the Company operates, where possible. The Circular Economy Business Unit is responsible for defining targets, guidelines and supporting regional team activities within project development through logistics, sales and marketing. It has central oversight, profit and loss responsibility and there are regional budgets and targets. It is tasked with coordinating with other departments such as engineering, purchasing and manufacturing to spread the Circular Economy mindset. In order to develop the

circular economy business, the Business Unit investigates opportunities in various areas such as the use of plant surplus, end-of-life vehicle parts and remanufacturing parts, recycled material in a closed-loop process, based on the capacity to recover valuable waste from customers “Renew” and “Regen” labels have been added to promote the sustainability characteristics of these parts and services. Participation in innovative startups is also part of their roadmap: a participation has been signed with Amanhã Global in 2020 and two members of their Board belong to Circular Economy Business Unit to provide synergies with the Company.

Pre-owned vehicles activity

Stellantis has decided to dedicate a specific business unit to pre-owned vehicles (PROV), with a worldwide scope, leveraging its experience as an OEM but also a global ecosystem including companies such as Aramis Group or Autobiz. PROV business unit is responsible for defining pre-owned activities strategy, targets, key projects, business guidelines and for supporting all regional entities. It has central oversight and accountability for pre-owned activities global financial results.

Regarding companies dedicated to this business, PROV business unit ensures strategic oversight and consistency through Board participation, in line with corporate governance rules, and provides them with the adequate support through synergies with Stellantis activities. PROV Business unit continuously looks for additional opportunities to develop new business, including through partnerships with innovative start-ups (like Autoavaliar in Brazil or Fengche in China).

All Stellantis pre-owned vehicle activities aim to operate in compliance both with applicable regulations and Stellantis policies enforcing best practices regarding safety at work (including in our reconditioning facilities), competition laws, diversity, respect for customer data privacy protection and customer information, which is paramount to present our offers both digitally and on physical sites. For more information, [refer to section 6.1.7](#).

6.1.5 POLICIES TO EXECUTE THE STRATEGY

GRI 301-3 GRI 103-2

Stellantis considers materials impact at all stages of the life cycle starting from the product definition through the design phase. The materials and circular economy policy is based on the following principles:

- eco design to boost innovation and contribute to reduce material consumption and environmental impact of materials;
- an assertive commitment to use green materials;
- a commitment to reduce hazardous substances;
- a commitment to responsible recyclability - as a prevention measure against material scarcity and environmental impact of raw material sourcing - and to a responsible end of life treatment;
- a commitment to provide customers with offers in the circular economy mindset: sustainable parts and service offers to increase the lifespan of their vehicle, verified pre-owned cars, remanufactured parts.

Eco design to boost innovation and reduce material consumption and environmental impact of materials

From the vehicle design through each stage of the vehicle life cycle, Stellantis works to limit the vehicle’s environmental footprint in line with applicable regulations by:

- improving fuel consumption;
- reducing CO₂ emissions and pollutants;
- using natural resources responsibly;
- improving recyclability and repairability and remanufacturability.

In addition to supporting vehicle compliance with environmental legislation, eco-design also helps the Company stay competitive regarding sustainable mobility and new materials.

LIFE CYCLE STAGES	CORE CHALLENGES
Product definition	Define new automotive products and services taking into account the mobility needs of consumers around the world, local legislation and people's expectations regarding the environment and safety.
Design and engineering	Design vehicles to reduce their impact: <ul style="list-style-type: none"> on the environment: CO₂ emissions, local pollutants, the use of resources and recyclability; on society: road safety, noise pollution, traffic congestion.
Production	Reduce the environmental impact of automobile manufacturing. Improve workplace safety. Participate in the economic and social life of local communities.
Transport and sale	Integrate environmental challenges into supply chain and dealership network management. Inform customers in a responsible manner through advertising and labelling and provide a satisfying ownership experience with effective sales and customer service processes.
Use	Help limit the impact associated with vehicle use: promote safe and environment friendly driving practices, reduce vehicle fuel consumption, and develop increasingly effective exhaust emission control systems. Promote the use of parts from circular economy in vehicle maintenance and repair.
End-of-life	Facilitate the collection and processing of end-of-life vehicles and components by specialized providers and optimize their recyclability (pollution control, recycling, recovery and reuse). Evaluate the business opportunities to create circular economy offers to our customers and optimize the effort to collect and treat end-of-life vehicles and in particular the HVBs.

In order to be a strong participant in the circular economy market, the Company is developing internal procedures and partnerships with industrial counterparts from the automotive industry and other sectors. This is helping to reduce the pressure on natural resources for the different stages of the life cycle of our vehicles.

The Company is implementing a life cycle analysis procedure to evaluate and validate the selection of materials in new projects. This action allows to improve the use of natural resources and to limit the impact of products on the environment throughout their useful life. Each stage of the life cycle and the main environmental issues are examined (see 6.1.7 >).

This policy to search for new materials is being implemented in conjunction with the Company's commitment to using more renewable, recycled or bio-sourced materials in its vehicles.

Spare parts verified to boost safety, environmental protection and compliance

Stellantis pays close attention to the selection of material to comply with regulations, notably those related to safety. Due to their strong visual resemblance to branded parts, customers might be misled by counterfeit parts. A poor quality of counterfeit parts can endanger consumer safety. In the automotive field in particular, counterfeit products do not offer guarantees in terms of safety, environmental protection or regulatory requirements. In order to allow customers, after-market and custom networks to identify genuine parts, the various brands of Stellantis use a secure label placed on replacement parts packaging.

An assertive commitment to use green materials

Stellantis is involved in the integration of recycled and natural materials in the Company's vehicles. The integration of recycled materials covers all materials used in vehicles. Green materials used in the vehicles can be defined in three categories:

- recycled materials;
- materials of natural origin such as, wood and plant fibers;
- bio-sourced materials such as, polymers that come from renewable resources rather than the petrochemical industry.

There are several advantages to using them including reduced use of mined and fossil-based materials and fostering the development of the recycling industries by increasing demand. Life Cycle Assessments (LCAs) are conducted to check and highlight the environmental progress of new green material solutions.

A commitment to reduce hazardous substances

Stellantis focuses its attention on the environment and the health and safety of their customers and employees.

Regarding hazardous substance management, the main drivers are:

- the elimination of four heavy metals; lead, mercury, cadmium and hexavalent chromium which are regulated by the European Directive No 2000/53/EC on end-of-life vehicles and its exemptions list mentioned in Annex II;
- compliance with the REACH regulation. As the last production phase of the supply chain, the Company has set up an organization and communication system to monitor its partners and suppliers using the REACH automotive industry guidelines. Stellantis contributed to the drafting of the regulation as a member of the European Automobile Manufacturers' Association (ACEA);
- the voluntary introduction of technical solutions to improve vehicle interior air quality to support customer health, safety and comfort in the cabin, in addition to regulatory requirements.

A commitment to responsible recyclability

As a prevention measure against material scarcity and environmental impact of raw material sourcing, to support a responsible end of life treatment.

The impact of recycling end-of-life vehicles (ELVs) is taken into account starting from the design phase. Vehicle materials are selected according to increasingly strict criteria that are designed to foster the development of recovery and recycling facilities. To ensure that its vehicles are highly recyclable, Stellantis is committed to:

- using materials that are easy to recycle;
- reducing the variety of plastics to facilitate sorting after shredding, optimize the related recovery processes and improve profitability;
- using a single family of plastics per core function so that an entire sub-assembly can be recycled without dismantling;
- marking plastic parts with standardized codes for identification, sorting and traceability;
- introducing green materials, especially recycled materials, into vehicle design to support the emergence or development of new markets for certain materials;
- integrating recycling considerations upstream in the innovation phases with a focus on new materials or vehicle parts.

As a participant in the International Dismantling Information System (IDIS) project, Stellantis provides recycling facilities with disassembly instructions for our vehicle brands. Stellantis is performing vehicle recycling studies in France, Germany and Canada to support vehicle end-of-life research and development and to satisfy dismantling requirements for ELVs.

A commitment to responsible end of life treatment

As part of the Circular Economy Business Unit, one central ELV team integrates ELV activities for Stellantis brands.

This allows synergies to be increased by:

- exchanging information with authorities at regional and country levels;
- streamlining Stellantis ELV activities in countries in Europe and in regions outside of Europe;
- negotiating with Stellantis partners in the full ELV chain at central and local levels;
- contributing to the work by automobile associations at country, European and global levels;
- analyzing and generating new business and revenue opportunities.

A commitment to provide customers with offers in the circular economy mindset: verified pre-owned vehicles, remanufactured parts

- Stellantis already offers a full range of remanufactured parts that support the aftermarket needs of customers. These parts help to reduce the cost of vehicle ownership, decrease the volume of materials heading to landfills and lower energy consumption. The Company certifies the production of remanufactured parts, manufactured internally or through specialized providers, in order to provide a repair solution that is equivalent to original equipment parts and provides the same warranty conditions as new parts.
- Stellantis Pre-owned vehicles policy: Stellantis pre-owned vehicles activity echoes directly the Company mission, “powered by our diversity, we lead the way the world moves”, focusing on proposing safe, clean and affordable mobility solutions to our customers. Our pre-owned vehicles are mainly recent, certified to meet quality standard, and more affordable than brand new models. In addition, providing used vehicles participate in a growing circular model helping to preserve natural resources needed to build a car.

6.1.6 ORGANIZATION AND RESOURCES

Eco-design product development organization

Integrated in the Materials and Sustainability Engineering Department, teams are dedicated to develop and monitor sustainable eco-design worldwide. The mission is to implement eco-design process in accordance with the different Stellantis commitments:

- monitor and reduce the use of hazardous substances;
- increase the use of green materials;
- implement recyclable solutions;
- evaluate the environmental footprint of new solutions and complete vehicles thanks to Life Cycle Assessments;
- monitor dedicated KPIs, performance and conduct research.

In order to conduct these actions, standards and tools are defined and implemented to monitor design criteria applied by engineering teams. In particular, standards are defined to limit and trace the use of hazardous substances or to specify the green material content. For instance, materials specifications are defined for major plastic parts to integrate minimum of Green Materials content. IMDS is mainly used to monitor material composition of the parts including hazardous substances identification.

Circular economy business unit

Stellantis has a business unit dedicated to the circular economy. The goal of the business unit is to build a sustainable business based on circular economy principles. A dedicated central team works with regional teams of various sizes depending on the local footprint of Stellantis. The business unit uses common resources from central or regional teams from other departments including engineering, quality, purchasing or manufacturing, after-sales, suppliers and other providers. Amanhã Global, a subsidiary of Stellantis, has its own resources to support their growth plan.

High Voltage Batteries (HVB) Management

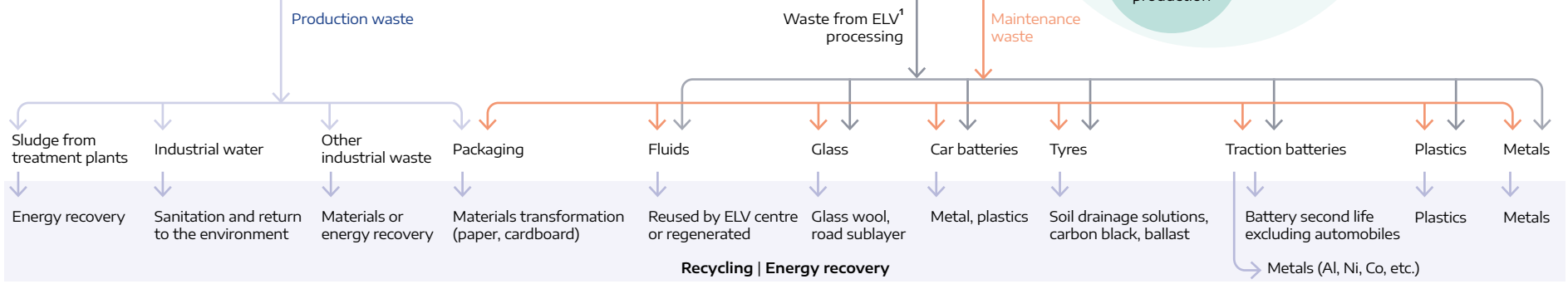
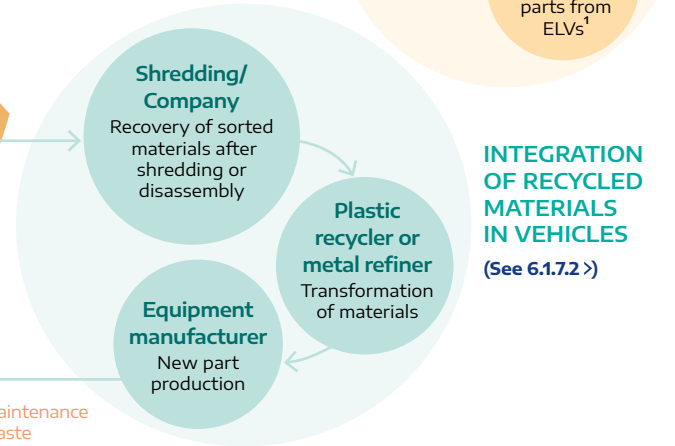
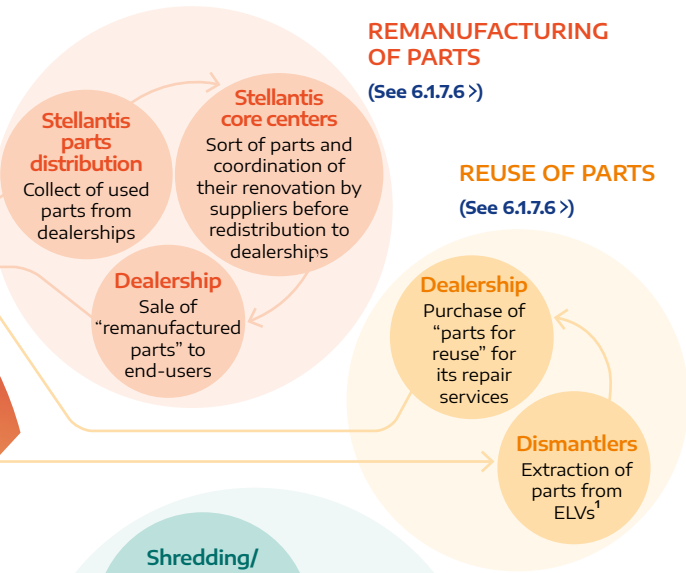
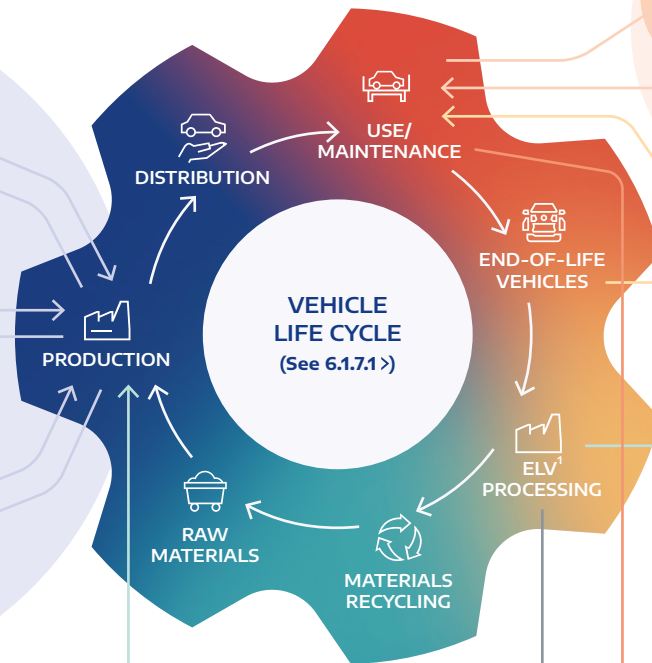
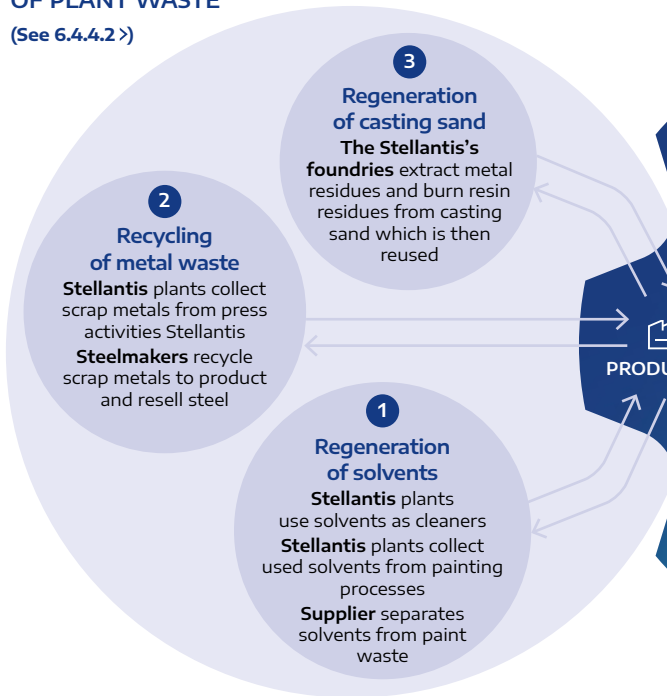
The Company is implementing collection and treatment procedures for its High-Voltage Batteries (HVB) used in hybrid and electric vehicles sold in Europe and other regions. Stellantis offers longer lifespan mobility to their customers by developing repair and remanufacturing processes. Stellantis is also targeting to extend the battery lifespan through second-life solutions outside of the automotive sector for energy storage including those through its Joint Venture with NHOA (ex Engie EPS) Free2Move eSolution. Stellantis is responsible for the recycling of its HVBs and contracts with specific operators selected to collect and recycle HVBs from our plants, research and development sites, dealer network and end-of-life vehicles. The battery technology in electric and hybrid vehicles requires specific handling methods.

6.1.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3 GRI 306-2

EXAMPLES OF SOME OF THE TYPICAL CIRCULAR ECONOMY INITIATIVES BY STELLANTIS

RECYCLING OF PLANT WASTE
(See 6.4.4.2 >)



¹ End-of-life vehicle

6.1.7.1. Main initiatives to support Eco design and reduce material consumption: the LCA approach

Stellantis conducts **Life Cycle Assessment** (LCAs) on its vehicles and components. These studies analyze the multi-criteria environmental footprint of a vehicle, its components and materials design. The entire product life cycle is taken into account from raw material extraction to manufacture, use and end-of-life. The methodology used for LCAs refers to ISO standards 14040/44 and critical reviews are conducted with external experts. The last critical review focused on battery electric vehicle DS3 Crossback e-tense performed by a third-party reviewer panel.

The results of life cycle assessments help to improve the vehicles' environmental record:

- highlighting the environmental advantage of one innovative solution compared to another, and more broadly, the overall environmental impact of a product
- identifying possible pollution transfers from one phase of the life cycle to another
- highlighting core environmental impacts
- choosing more environmentally friendly technologies and materials.

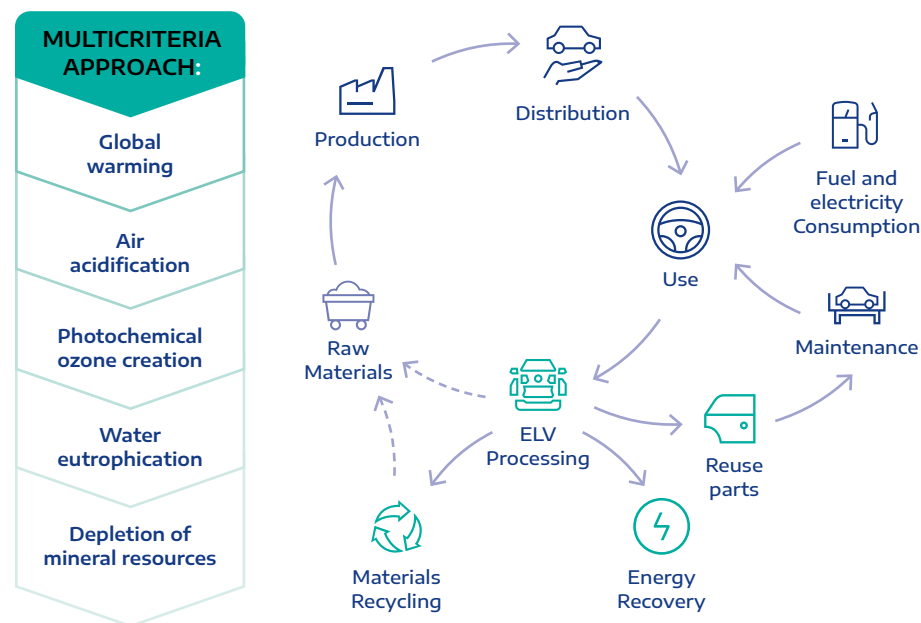
Main Indicators of Environmental Impacts Monitored by Stellantis

IMPACT ON AIR	Global warming potential in kg CO ₂ -eq: characterizes the average increase in greenhouse gases emissions that contribute to global warming (CO ₂ , CH ₄ , N ₂ O, etc.).
	Acidification potential in kg SO ₂ e: characterizes the increase in the content of acidifying substances that cause acid rain and decay of some forests (SO ₂ , etc.).
	Photochemical ozone creation potential in kg ethene eq.: characterizes the phenomena leading to the formation of ozone which have harmful effects on human health and on ecosystems (VOCs, etc.).
IMPACT ON WATER	Eutrophication potential in kg phosphate eq.: characterizes the introduction of nutrients such as nitrogen and phosphate compounds that promote the growth of certain algae (NO ₂ , etc.).
IMPACT ON NATURAL RESOURCES	Potential for the depletion of natural mineral resources in kg antimony eq. (Sb): aims to measure the extraction of mineral resources considered to be non-renewable regarding their reserves on Earth.
	Potential for the depletion of fossil resources in megajoules (MJ): aims to measure the extraction of fossil fuels regarding their reserves on Earth.

LCAs can be used in the **innovation phase** to consider environmental impact as early as possible. The analyses are usually conducted at the end of product design and include recyclability and critical materials.

Former PSA was a founding member of the EcoSD network, an association whose main purpose is to foster interaction between researchers and industry players to create and disseminate Eco-Sustainable Design (EcoSD) expertise in France and beyond, thereby promoting France's EcoSD expertise internationally. The Company participates in collaborative projects with industry and laboratory members of the network, with the support of the French Agency for Ecological Transition (ADEME).

SIMPLIFIED DIAGRAM OF A VEHICLE LIFE-CYCLE



Achievements of these projects include:

- an assessment of the methodology used to measure the “water footprint” of an entire vehicle;
- the creation of a tool which takes environmental criteria into account in the design of traction batteries for electric vehicles;
- the development of a guide with good practices for LCA practitioners on using mineral depletion indicators and on taking into account material criticality issues;
- The publication of a “White Book” with edition of Presses des Mines, on the application of monetarization in LCA for eco-design purposes;
- An assessment of the environmental profile of the data in the context of connected vehicles;
- An assessment of the environmental profile of charging infrastructures for BEVs in the context of long distance drive.

In addition, Ph.D. thesis work has been conducted, focused on the development of a method to optimize environmental impacts of automotive product and service systems such as car-sharing. Another Ph.D. candidate begin work in early 2020 regarding the development of a method for implementing CSR KPIs in the design phase of vehicles.

The Company aims to implement life cycle assessments on new vehicles. For core technological changes or strategic innovations, studies are conducted to assess developments of the environmental impact from these technologies.

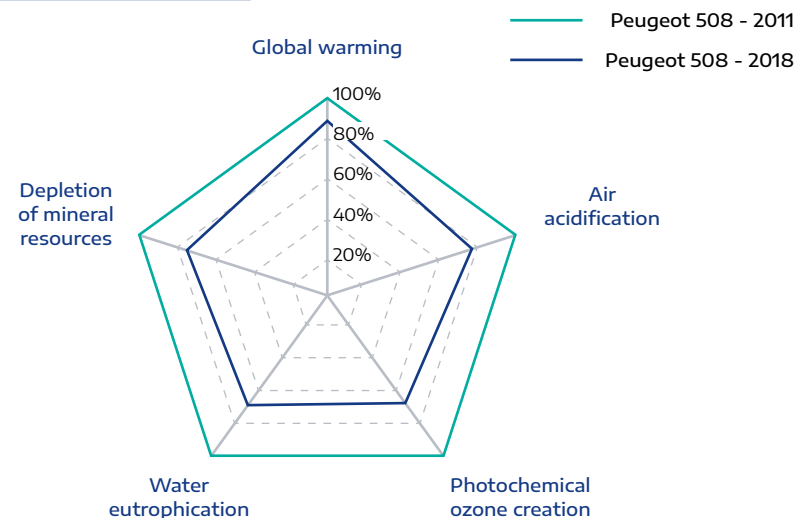
LCA's covered 62%
of the total fleet sold
(in 2021)

Examples of the application of LCAs

These analyses are carried out using software linked to environmental databases that makes it possible to calculate a product’s environmental impact. The goal is to compare the environmental impact from a new model compared to the previous generation. The impact of new electrified powertrain is also evaluated. Examples of vehicles that have been assessed during the passed year:

- Citroen C4 gasoline and electric;
- Citroen AMI;
- Citroen Berlingo diesel and electric;
- DS4 gasoline;
- Fiat 500 gasoline and electric;
- Fiat Pulse flex fuel;
- Jeep Commander flex fuel and diesel;
- Jeep COMPASS gasoline, MHEV and PHEV;
- Opel Corsa gasoline and electric;
- Opel Mokka gasoline and electric;
- New Peugeot 308;
- Peugeot Expert diesel and electric;
- Peugeot Partner diesel and electric;

RESULT OF THE LIFE-CYCLE ANALYSIS DONE ON THE PEUGEOT 508



6.1.7.2. Main initiatives to boost the integration of green materials:

Stellantis plans to integrate a green materials **monitoring system** focused on recycled and natural materials in new vehicles. We are focusing on recycled polymers as an important part of the circular economy and increasing our research efforts. The wider application of green materials requires the development of robust supply chains and more research on new materials. To meet its targets, the Company is actively selecting and certifying materials that offer the best cost and technical application, thereby creating a portfolio of solutions for future vehicle projects. The use of green materials will continue to be included in the engineering design guidelines and in the specifications for supplying parts and components. The use of green materials is also one of the selection criteria when choosing suppliers.

Stellantis is involved in a large number of **scientific partnerships** to boost the development of the green materials industry and expand the use of these materials in vehicles. In 2021 Stellantis participated in:

- **BIOMass** for the future miscanthus: through the Regional Association of the Automotive Industry of Île-de-France. Stellantis is a partner of this project alongside the French National Institute for Agricultural Research (INRAE). The Company's involvement consists of taking part in the validation tests of materials containing miscanthus fibers. The project led to the validation of moldability with representative parts and the complete validation of one material PP-NF30.
- **RUSTINE project**: extruded recycling for the recovery of polymer waste sponsored by Fonds Unique Interministériel (FUI) with industrial and academic partners (Galloo Plastics, Wipak, Nutripack, Umet and Armines). The objective is to develop a process for decontaminating plastic waste from different sectors, in particular automobile. Stellantis aims to develop validated products with recycled polyolefin materials for interior parts without losing the properties of virgin materials, in particular odor and Volatile Organic Compounds (VOCs).
- **PRIME project** studies the opportunities of innovative processes and products of green chemistry to support the development of biopolymers from agro-industrial wastes (side streams containing sugars not in competition with the food chain, waste oils and other vegetable fractions) of the Piedmont territory in Italy to obtain biobased building blocks (diacids and diols) through chemical and fermentative routes for high performance biopolyester plastics and fibers for automotive parts.
- **LIFE PlasPLUS project** aims innovative technology challenging the current state of-the-art recycling process and transforming the current downcycled or landfilled/incinerated waste in high-purity secondary thermoplastics. The project, supported by European Commission enable new recycled plastics for automotive improving the recycling of high-quality secondary thermoplastics and critical raw materials found in end-of-life vehicle waste (ELV) and waste of the electrical and electronic equipment (WEEE).
- **SALEMA project**, supported by European Commission, develops a combined strategy of decreasing the critical raw material dependency (from magnesium and silicon) and creating a sustainable circular economy in the aluminum manufacturing industry of Europe, since electric automotive sector needs high-performance, sustainable aluminum sources, that is only possible by the generation of a new aluminum ecosystem.

The latest vehicles brought to the market illustrate the results obtained on the inclusion of materials that are recycled or from natural sources. The following examples show the diversity of applications validated on the last vehicles from the different brands in the main regions of commercialization:

In Enlarged Europe:

- **Fiat 500e, Fiat 500 MHEV, and Fiat Panda MHEV** use 100% Recycled PET (30% from bottles recovered in the sea and 70% from post-consumer) for the textile in the seats.
- **Jeep Compass** uses 85% post-consumer PET for rear seat backrest.
- Bio based polycarbonate is used for air conditioner command lens for Fiat Tipo and on key cover Fiat 500e.
- **DS4 Crossback**: more than 50 parts (dashboard, console, carpets...) of the new DS4 are made by recycled polymers and/or natural fibers.
- **The new Peugeot 308 and 308SW** integrate 100% of post-consumer polypropylene in the Bumpers components and polypropylene with natural fibers in the dashboard.
- **Opel MOKKA** uses High quality Polyamide and recycled PET respectively in under hood applications and carpets.
- **Citroën AMI** uses recycled polypropylene on upper bulkhead.

In North America:

- **Jeep Wrangler:** uses recycled high heat Acrylonitrile Styrene Acrylate (ASA) materials for Spare tire carrier cover, high recycled content TPO materials for Console, and Wrangler used recycled polypropylene in the Quarter trim panels.
- **Ram Truck** uses glass fiber reinforced recycled polypropylene for floor storage bins, post-industrial recycled Acrylonitrile Styrene Acrylate (ASA) materials for fascia brackets, post-industrial recycled polypropylene filled with talc for cowl screens, as well as recycled high density polyethylene materials for the wheel liners.
- Suede with recycled content is used for headliners for **Jeep Grand Wagoneer** and **Jeep Grand Cherokee** and also for interior pillars for Jeep Grand Cherokee.
- **Jeep Grand Cherokee** uses recycled content in glass/mineral filled thermoplastic polyester blend (PBT/PET) for vent vanes, as well as recycled content in talc-filled polypropylene for support assemblies, and glass/mineral filled recycled PA6 for heat shield.

In South America:

- **Citroën C4 Cactus** uses recycled polypropylene in fuel tank deflector, fascia panel ventilation channel, wheel housing mudguard, air anti-recycling bulkhead.
- **New Fiat Strada and Fiat Pulse** use recycled polypropylene in wheel housing mudguards and in the front bumper deflector for **Fiat Pulse**.
- **Jeep Compass** develops the mobile rear shelf in recycled polypropylene and wood fibers (composite).

6.1.7.3. Main initiatives to reduce hazardous substances

Regulatory requirements regarding the use of hazardous substances are factored into the phases of the vehicle life cycle. We work closely with suppliers on achieving compliance of vehicles and parts sold. To ensure the traceability of regulated substances contained in vehicle parts and materials, the Company collects information from suppliers using the automotive standard International Material Data System (IMDS) tool according to the Global Automotive Declarable Substance List (GADSL).

For European vehicles, Stellantis has set the goal of minimizing the use of substances on the REACH candidate list and anticipating the restrictions in Annexes XIV and XVII by working upstream during the new material research and innovation phases.

Examples include the replacement of diethylhexyl phtalate (DEHP) which is used as a plasticizer in PVC sheaths for wiring harnesses. Other regulations on chemical substances such as Persistent Organic Pollutants (POP) and Biocides which affect part design and production are also monitored for compliance.

Concerning Vehicle interior air quality, in addition to working to adhere to regulatory requirements, Stellantis has voluntarily introduced technical solutions to support customer health, safety and comfort in the cabin. These include filters for air flow into the passenger compartment and limits on volatile organic compounds (VOCs) in the materials used. Where applicable, the air in the passenger compartment is checked for VOCs and odors before the vehicle goes to the market. Stellantis is working on new developments accounting for specific material characteristics, surface treatments and filters to improve the quality of the interior air, limiting also the development of micro-organisms.

6.1.7.4. Main initiatives to improve responsible recyclability and to support End of Life treatment

SASB-440b.3 GRI 301-2

Stellantis implements actions from the ecodesign stage to the End-of-Life of its vehicles.

Through its choice of materials, Stellantis aims to promote the recyclability of its products, to obtain the homologation of its vehicles where regulatory relevant, the success of their sales and their effective recycling at the end of their life.

One of our actions in this field fall within the framework of European Directive No. 2000/53/EC of September 18, 2000 on end-of-life vehicles (ELV) which sets vehicle design requirements and operational processing requirements for the vehicle at the end of its service life.

- From the design stage, recyclability is taken into account. Stellantis has implemented the processes needed to fulfill the 95% recovery requirement in vehicle weight, and 85% reusing or recycling materials with traceability processes for information on the weight of materials, substances and the corresponding assessments and analyses. In accordance with EU Directive 2005/64/CE, audits are conducted by a third-party regarding the traceability processes for information on the weight of materials, substances and the corresponding assessments and analyses.

- At the end of life, Stellantis implements three types of recovery for end-of-life vehicles: reuse of parts, recycling of materials and energy recovery. Since 2015, vehicles in Europe have to be 95% recoverable and 85% reusable or recyclable.

In order to meet its obligations, the Company has an internal horizontal network, that provides the framework to manage the upstream and downstream processes. The two activities include: upstream, which seeks eco-design solutions, and downstream, which involves monitoring the collection and treatment of end-of-life vehicles. This work is conducted in close collaboration with Company partners such as suppliers, recycling operators and vehicle manufacturer associations.

All the Company's vehicles in Europe are:



6.1.7.5. Main initiatives to improve responsible End of Life treatment

SASB-440b.2

In 2000, the EU End-of-Life Vehicle Directive began requiring all vehicle manufacturers and importers to take back vehicles from the last owners or holders when the cars have reached end-of-life. For that purpose and by following the different national requirements, the two former companies (FCA and PSA) have built take-back networks in EU member states where they were operating. The systems vary in different countries between implementation and maintenance by the manufacturers themselves, assigning a service provider on their behalf or participating in a collective take-back process, where required by law.

In France, we implemented an Individual System, which uses industrial partnerships of a high standard, both technically and financially. They track ELVs and ensure that the overall recovery rate is achieved. At the end of 2021, the Company's industrial partners were working with networks of 436 certified dismantling companies for former PSA Brands, and 612 for former FCA Brands, with 222 common dismantling companies.

In Regions outside Europe, the Company is actively analyzing the regional and local market situation as well as ELV-related legislation. The Company adopts and develops strategies and plans for implementation depending on the local and regional

requirement and constraints:

- in the U.S., the environmental effects of vehicles at the end-of-life stage are reduced using a market-driven recycling infrastructure, making automobiles and their components among the most recycled consumer products in that country;
- in Asia, some countries have developed momentum around waste legislation. Stellantis has close cooperation with joint venture partners in China;
- in India, we have a business partnership to support the development of Waste Law to treat ELVs and High Voltage Batteries;
- in Africa, Stellantis implemented a study with Morocco's government to improve the collection and treatment of ELV.

Individual System to manage End-of-Life Vehicles (ELV)

In 2021, Stellantis collected and processed with an internal Individual System 34,609 of ELVs in France for former PSA and FCA brands. These accounted for 40,996 tons of material recovered, of which 87% was recycled.

Actions Plan to collect and treat abandoned ELVs

Stellantis made a major contribution to piloting the action plan for the re-absorption of historic stocks of abandoned ELVs in the French overseas territories in which the French Environmental Code applies (Guadeloupe, Saint Martin, Martinique, French Guyana, Reunion Island, Saint Pierre-et-Miquelon Island and Mayotte). This plan, which addresses the environmental and health issues that arise when their last owner abandons vehicles, resulted in the signing of a framework agreement between manufacturers on October 24, 2018. At the end of 2021, this action plan was active in French overseas departments with 21,437 abandoned ELVs collected.

Revenue generation

By selling reuse parts and recycled materials, ELVs can generate additional revenue for distribution networks. In Europe, the collection and treatment of end-of-life vehicles generated a total revenue of €2.6 million in 2021, for the sole company-owned network and used vehicle sales branches. The dealer network, promotes circular economy through various offerings: remanufactured parts, "Repair & Return" services in Europe and reused parts from end-of-life vehicles dismantling. In 2021, these business lines generated a total revenue of €528 million.

6.1.7.6. Main initiatives to provide customers with offers in the circular economy mindset: verified pre-owned cars, remanufactured parts

Affordable maintenance with replacement parts for all budgets in a circular economy mindset

For our customers with older vehicles, Stellantis provides a service which offers the Eurorepar range and equipment of manufacturer parts. In addition to offering a full range of remanufactured original parts, Stellantis also offers multi-brand reused parts and a “repair and return” service for automatic gearboxes and complex electronic components. The total range of parts offering covers close to 60% of vehicle content and allows cost savings for customers up to 40% compared to equivalent original new parts.

Mopar, Eurorepar, BproAuto and Bolk brands cover a wide range of parts and service offerings. This range allows Stellantis to meet the parts and service needs, regardless of budget for our customers.

Stellantis replacement parts are available for all our markets:

- original parts: Stellantis original new parts;
- smart buy: Eurorepar parts, Suppliers’ parts, Remanufactured and “repaired and returned” of Stellantis original parts;
- best costs: Reused parts, Bolk parts.

Parts and Services Sustainability

Stellantis offers a full range of remanufactured parts that support the aftermarket needs of customers. With 75 parts distribution centers, Stellantis Parts and Services is dedicated to delivering the right part at the right time around the globe (for more information [refer to section 2.6.3](#) >). These parts help to reduce the cost of vehicle ownership, decrease the volume of materials heading to landfills and lower energy consumption. Remanufactured product lines include parts such as starters, alternators, brake calipers, electronic control modules, high-voltage battery packs, torque converters, steering, suspension and engine and transmission product categories.

Depending on the part, the average raw-material usage is reduced between 60% to 95%, while CO₂ emissions are reduced between 30% to 50% compared with new part production. Remanufactured offerings cover close to 35% of vehicle parts. The Company certifies the production of remanufactured parts, manufactured internally or through specialized providers, in order to provide a repair solution that is equivalent to original equipment parts and provides the same warranty conditions as new parts.

- **Remanufactured Parts:** Covering a large scope of mechanical and electronic parts, remanufactured parts allow savings of up to 95% material and 50% of CO₂ emissions. In 2021, 64% of engines, 65% of gearboxes, 38% of clutches, 48% of injectors, 60% of alternators and 62% of particulate filters sold by brands in Europe and North America were remanufactured parts. Circular Economy in Europe and in North America generated close to 5% of the turnover of the spare-parts where remanufactured parts exists.
- **Reused Parts:** Since 2019, former PSA offered a re-use catalog to authorized repairers in France through a partnership. Since 2020 and through the investment in Amanhã Global which offers, through an e-commerce platform, re-used parts for customers including B2C and B2B for all Brands. In 2021, this offering was extended to include former FCA networks. In 2021, Stellantis sold more than 86,761 reused parts.
- **“Repair & Return” service: extending the lifespan of complex products:** Since 2011, some brands including Peugeot, Citroen and DS have been offering a “Repair & Return” service for both automatic gearboxes and complex electronic products:
 - automatic gearbox, through a network of 16 repair centers around the world;
 - electronic products, through a European center covering navigation systems, engine and body controllers, clusters for specific brands;
 - in 2021, this service has been extended to additional brands and repairers. For 2021, Stellantis sold more than 16,800 “Repair & Return” service.

Developing pre-owned vehicles activities

- In 2021 Stellantis continued to develop its **Certified Pre-Owned (CPO) policy** with the deployment in G10 countries of its Spoticar CPO Program for all mainstream brands and DS certified for its DS premium Brand. Spoticar was also launched in Turkey, and a dedicated program is in preparation for Alfa Romeo brand. A CPO program provides customers a label for pre-owned cars, which are checked, reconditioned, certified and warranted. On Spoticar and DS Certified websites, Stellantis provides product information, pictures and when available videos to make sure customers are fully informed about the car they are looking at.
- Alongside with CPO programs, Stellantis continues to develop customer satisfaction measurement for our pre-owned vehicles customers: already active in France, this program will be activated in all G10 countries in 2022 to ensure our dealers provide to customers the best possible experience, with the same level of attention than towards new cars customers.
- Stellantis also supported the development of **multi-brand B2C business Aramis Group**, through a successful IPO (Initial Public Offering) on Euronext stock market in June 2021. This allows Aramis Group to sustain its European growth, in France, Spain, Belgium, the UK since early 2021 and potentially in other markets. Aramis Group provides customers with a top level digital experience, proposing affordable refurbished cars of all makes. Aramis Group refurbishment facilities are managed in order to preserve resources (70% of waste generated by refurbishing activities were recycled in 2020) and is committed to further reduce the environmental impact of these activities. Aramis governance is also compliant with market best practices, with independent members of the Board, a balanced gender representation and the creation of dedicated committees of the Board for nominations, compensations and benefits as well as for CSR. The Company is committed to develop and retain talents (70% of the workforce trained in 2020, Great place to work program), to achieve maximum safety at work and to embrace team diversity.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



Electrification is likely to increase the global demand for the materials for the manufacturing of Low-Emission Vehicles (LEVs): mainly cobalt, lithium and nickel. To preserve the natural resources as well as to mitigate the risk of scarcity, Stellantis works to reduce its consumption of materials in LEV manufacturing through the implementation of a full circular economy battery life cycle management starting by extending the lifespan of the battery for automotive usage through repair and remanufacturing, then implementing battery second-life solutions.

In 2021, 1,723 of the batteries used in Stellantis' vehicles had a life cycle management solution: 17 were repaired, 516 were remanufactured, 895 were used in 2nd life projects, and 295 were recycled. Stellantis operates through 7 battery repair centers, and a battery expertise center for their remanufacturing. When the batteries are no longer suited for vehicle use, they are reused for energy stationary storage purposes. The company also collaborates with qualified recycling companies, with the objective to recycle with the most efficient process a growing number of batteries in Europe and North America.

The Company also works to increase battery energy density which would decrease the quantity of raw materials needed per unit of energy. Stellantis conducts research and development activities for solid-state batteries and chemical compositions for other raw materials that are not considered critical. From 2024, Stellantis plans to base its electrification strategy on two battery technologies, both without cobalt (see section 2.5.3.2.4).

To secure lithium availability, Stellantis signed two memorandums of understanding for new direct offtake with lithium geothermal partners in North America and Europe. The Company's tier 1 battery suppliers have also contracted lithium suppliers in Europe. For the longer term, Stellantis prepares to set up offtake agreements of recycled raw materials with recyclers.

6.1.7.7. Specific initiatives related to High-Voltage Batteries (HBV)

When HBVs cannot be used in vehicles, Stellantis HBVs can be processed into up to 3 steps:

Repair and Remanufacturing

- Remanufacturing extends the use phase and avoid the premature recycling of High-Voltage Batteries (HBVs).
- To reinforce the sustainability of its HBVs, for the new generation developed for its brands, Stellantis is expanding a repair and remanufacturing process. If the battery fails, it will either be repaired in the network or sent to a remanufacturing center. The repaired battery will then be reinstalled in the vehicle from which it had been removed whereas the remanufactured one will be used in another used electric vehicle to maintain the electric mobility of the Company's customers as long as possible.

Second life

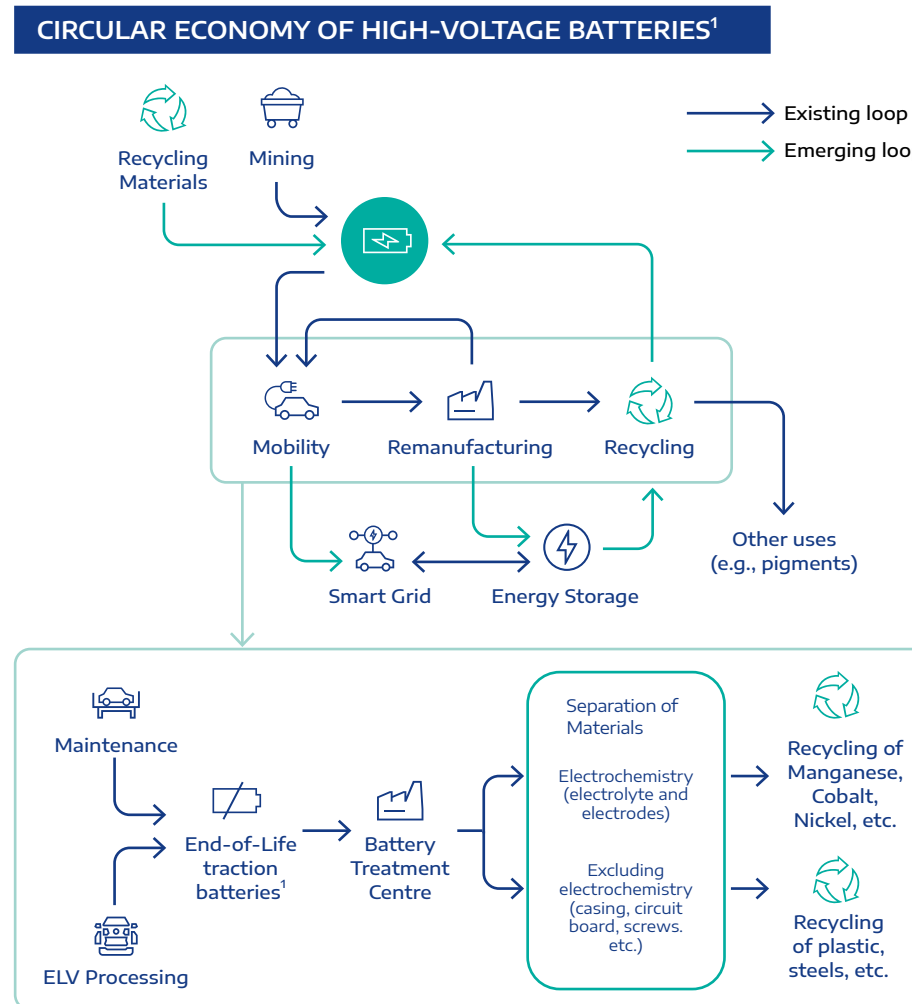
Stellantis is also working on solutions to reuse HBVs in electric stationary storage facilities such as:

- A container including eight used batteries, from Company's vehicles "Peugeot iOn" and "Citroën C-Zero", which was installed in Carrières-sous-Poissy in 2018 and connected to the site grid to provide energy services. This container enables us to optimize the energy consumption in buildings by many ways including load shifting, storage of energy during the night and use during the day or balancing services to the grid.
- To study the ability of next-generation EV batteries to be reused in second life for stationary storage applications, Stellantis is exploring the reuse of these batteries by designing, building and testing electric stationary storage demonstrators in 2021, focused on residential, commercial and industrial use in particular with its Joint Venture with NHOA Free2move e-solutions.

At the same time, Stellantis is still evaluating partnership opportunities with utility companies in order to design, build and operate a large-scale pilot of an energy stationary storage facility.

Recycling Process

In 2015, Peugeot, Citroën and DS have signed a contract for the European markets. Our partner obtained the silver medal for its CSR performance awarded in 2019 by the organization EcoVadis.



¹Batteries from hybrid and electric vehicles.

At the end of 2020, former PSA extended this partnership to Opel and Vauxhall brands for the new-generation of PHEV and BEV traction batteries. In order to recycle higher battery volumes in Europe and optimize the associated logistics costs, Stellantis selected local recyclers by geographical zones.

The same process is planned with the former FCA brands, which previously developed local solutions by country.

In 2020, the partner's recycling rates were 69.3% for Lithium-Ion (Li-Ion) batteries and 83.8% for Nickel Metal Hydride (Ni-MH) batteries. The results for 2021 are not yet available at the time of publication of this report. These rates are significantly higher than the 50% regulatory thresholds for recycling efficiency. This agreement covers the dealership networks and industrial sites for all current Li-Ion and Ni-MH batteries across all European marketing countries.

In terms of battery legislation, the Company is actively involved with this area of expertise via the European Automobile Manufacturers' Association (ACEA). Outside Europe, particularly in China, Stellantis makes an active contribution in partnership with local Joint Ventures.

6.1.8 DETAILED KEY PERFORMANCE INDICATORS

GRI 301-1

6.1.8.1 Total weight and percentage of materials purchased for vehicle production by type

(2021)

Materials purchased for vehicle production	Weight of materials used tons	Materials percentage
Steel	8,871,486	77 %
Light Alloys	949,558	8 %
Cast Iron	62,701	1 %
Other Metals	590,403	5 %
Elastomer	303,135	3 %
Polymers	666,468	6 %
Fluids	29,906	0,3 %
Other	31	— %
TOTAL	11,473,688	100 %

6.1.8.2 Availability of solutions to optimize High Voltage Batteries Lifespan and End of Life through Repair, Remanufacturing, 2nd life, Recycling in Europe, North America and China

(2021)

Markets	Repair	Remanufacturing	2 nd life	Recycling
Europe	available	available	available	available
North America		available	available	available
China				available

6.2 VEHICLE IMPACT ON AIR QUALITY



6.2.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

CSR ISSUE/CHALLENGE #15: Vehicle impact on air quality

The effects of atmospheric pollutants on climate, ecosystems, natural habitats and agriculture as well as human and animal health are a major public concern. Reducing vehicle emissions necessitates substantial research and development investments on technologies by vehicle manufacturers which can have a direct impact on their financial performance and profitability.

Given the frequent media coverage, such effects reflect an important reputational issue for automobile companies. Air quality and associated public health concerns have resulted in the introduction of local, state/country, and international regulations to control atmospheric pollutant emissions in many areas of the world, including a wide variety of markets into which Stellantis sells its products.

In addition, there are a growing number of cities that impose traffic restrictions that inhibit certain vehicles' operation, both by geography and by time of day.

Stellantis continues its significant efforts to produce vehicles that comply with regulations and at the same time meet consumer demands, including the growing demands for sustainable mobility. This includes current and near-term plans to increase our portfolio of electrified vehicles. Stellantis is also developing advanced emission control technologies to minimize environmental impact of internal combustion engines. These combined actions support our goal of reducing emissions of our products.

Company's public position

The Company is committed continuing its longstanding efforts to reduce the environmental impact from our products, which at a minimum requires us to develop and produce vehicles that meet applicable emission standards worldwide.

Stellantis supports efforts to cooperate with the relevant public institutions/ governmental agencies in the review and improvement of regulations in order to reflect the improved technology while maintaining a reasonable balance between sound science, availability of technologies, consumer demand, societal benefits, and affordability.

The Company recognizes the role of public institutions and/or national and local governments supporting a green transition in electrified mobility including the use of incentives to facilitate that transition.

6.2.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIS	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #15 Vehicle impact on air quality Owners Chief Engineering Officer >>>	Meaningfully reduce impact on air quality by focusing on development of a wide range of affordable Zero Emission Vehicles (ZEV)	Share of ZEV ¹ in global sales mix (focus on U.S. and EU)	2025: EU: 34% of Passenger Cars U.S.: 14% of Passenger Cars + Light Duty Trucks	2030: EU: 100% of Passenger Cars U.S.: 50% of Passenger Cars + Light Duty Trucks	2038: EU: 100% of Passenger Cars U.S.: 100% of Passenger Cars + Light Duty Trucks	EU: 8% of Passenger Cars U.S.: n.a.
		Percentage of nameplates with ZEV ¹ offering (focus on U.S. and EU)	2025: EU: 74% of Passenger Cars U.S.: 60% of Passenger Cars + Light Duty Trucks	2030: EU: 100% of Passenger Cars U.S.: 100% of Passenger Cars + Light Duty Trucks	2038: EU: 100% of Passenger Cars U.S.: 100% of Passenger Cars + Light Duty Trucks	EU: 15% of Passenger Cars U.S.: n.a.

¹ZEV = Zero Emission Vehicles (Battery Electric Vehicles)

6.2.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

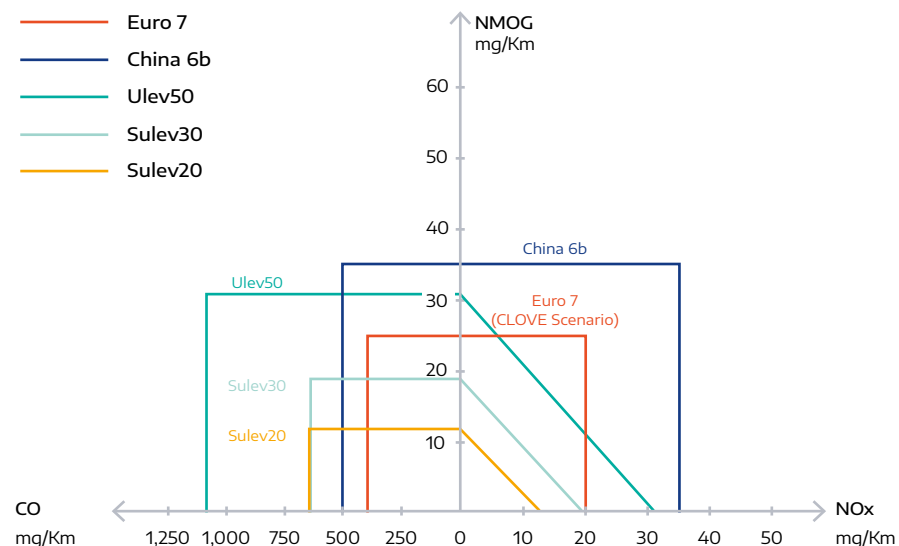
GRI 102-15 | GRI 103-2

6.2.3.1 Risks

Global emissions standards continue to become increasingly stringent. Stellantis is aware that there are risks associated with the changing requirements and associated costs related to the product development. Product environmental innovations are essential for the achievement of such standards. These innovations help prevent delayed vehicle launches and the associated financial risks. The annual risk of loss of revenue for a company the size of Stellantis is approximately €1.5 to €3.1 billion due to unwanted delayed vehicle launches.

The U.S. has the most stringent pollutant emission standards. However, with the introduction of the Real Driving Emission (RDE) regulations in Europe and other markets that borrow European Union regulations, the global emissions compliance standards are reducing ever closer to the U.S. standards. A good example is the European Union's (EU) adoption of Euro 6d, coupled with the expected introduction of Euro 7 standards in 2025. In the U.S., the fleet emissions for light duty vehicles will be required to meet 30 mg/mile of NOx and Non-Methane Organic Gases (NMOG) by 2025. Brazil will launch the PL8 emission standard in 2025. The release of the first draft of China 7 standards is projected in 2023.

MAIN CURRENT AND FUTURE EXPECTED REGULATIONS LIMITS



	NOx (mg/km)	NMOG (mg/km)	CO (CO)
U.S. SULEV ¹ 20	12		622
U.S. SULEV 30	19		622
U.S. ULEV 50 ²	31		1,057
EU Euro 7 (CLOVE scenario) ³	20 ⁴	25 ^{4,5}	400
China 6b	35	35 ⁵	500

¹SULEV: Super Ultra Low Emission Vehicles

²ULEV: Ultra Low Emission Vehicles

³Euro 7 data refers to the CLOVE consortium proposal. CLOVE consortium was appointed by the European Commission to deliver an initial proposal to be discussed.

⁴Clove most stringent scenario

⁵Non-Methane Hydrocarbons (NMHC) emissions

6.2.3.2 Opportunities

Air quality requirements can be seen as both business and reputation opportunities for Stellantis.

Stellantis is continuing to improve the Company's image and the image of the brands by providing vehicles with the advanced technologies that are required in the markets with the most stringent regulations, to other countries and markets.

Opportunities to further develop the business and elevate the company's image include:

- Increase offerings of battery electric and plug-in hybrid electric vehicles, as well as improved emissions for internal combustion engine vehicles. For instance 10 battery electric and plug-in hybrid electric vehicles are expected to be launched by 2022;
- Support regulations improvements and incentives for market acceptance of low emission vehicles and vehicles with electrified powertrains. For instance one vehicle under Euro 3 standards emits the same mass of particulate emissions as 100 vehicles under Euro 5-6;
- Develop a patent portfolio of technologies;
- Sell advanced engine technology licenses to competitors.

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



Low Emission Vehicles (LEVs) generate significantly lower emissions compared to ICE vehicles. Therefore, the sale of LEVs enables Stellantis to be more readily compliant with emissions regulations worldwide, but especially notably in the EU, in the U.S., in China and Brazil). Indeed, increasingly stringent and complex regulations set emission caps for certain pollutants and define restricted traffic zones. Furthermore, the sale of LEVs engages a virtuous circle: it provides Stellantis with reputational benefits while responding to evolving customers' expectations and governmental/public institutions focus on improving air quality. Increasing our customers' demand and desire for our lower-emitting and non-emitting vehicles reduces our overall impact on air quality. These are fundamental aspects of the rationale behind the company's electrification policy.

6.2.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

Consistent with the commitment of and made by our management, Stellantis's aim is to ensure compliance from technical and legal points of view, both the letter and the spirit of laws, as well for governmental emission certification/ issuing of the type approval to allow our vehicles to be sold.

Employees involved in meeting compliance and regulations of emissions are expected to know and respect not only the requirements imposed by applicable laws and regulations, but also the applicable internal rules and processes we use to help achieve such compliance. To support this, employees have access to processes that use and make available information databases, technical and engineering guidelines, networks of meetings and governance, reference documents, and training materials.

Emission compliance governance is used, in the form of engineering working groups associated with management oversight regional committees, to report emission compliance operation and policy decisions to the Global Technical Safety and Regulatory Compliance Manager and other Senior Management in Engineering, Planning, Legal, and related organizations, regarding tailpipe emissions, CO₂ emissions, hybrid and battery-electric vehicles all-electric range, evaporative emissions, and On-Board Diagnostics.

These regional committees, all structured of the same manner, are autonomous and include core and contributing members, which are independent and cross-functional, and which allow them to make objective and well-researched decisions. Decisions are made by considering regulatory, technical and legal expertise. Some of the activities include review of technical policy, regulatory assumptions, design rules, program approvals, guidance on emission compliance questions and guidelines.

6.2.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

Stellantis is focused on making responsible and prudent environmental policy decisions that touch the entire timeline of our vehicles' timeline, from initial concept to product launch, as well as the "in-use" phase, when our products are in the hands of our customers. Vehicles may only be marketed if compliant with regulations. **Refer to section 2.5.1** > for Stellantis electrification policy.

6.2.6 ORGANIZATION AND RESOURCES

GRI 103-2

Stellantis continuously makes R&D investments to the improvement of vehicle tailpipe emissions quality and the reduction of greenhouse gas emissions. These investments have led to worldwide development of technical solutions (electrification...) to improve reduction of fossil fuel consumption and pollutant emissions.

To develop new technologies we adopted the Technology Readiness Level (TRL) process. This methodology provides a consistent and uniform assessment process to grade the technical maturity of different technologies. The levels of technical maturity are aligned with the Global Product Development Plan and maturity gate levels are achieved based on stakeholder reviews.

6.2.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

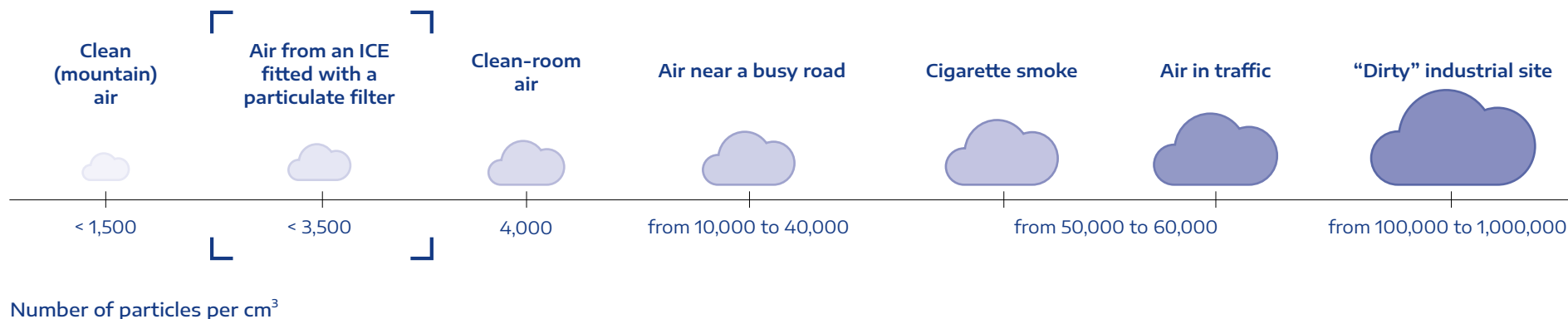
GRI 103-3

6.2.7.1 Improve air quality by reducing vehicle emissions

To minimize particulate matter emissions, both in particle numbers and mass, optimized engine measures and the use of wall flow particulate filters are effective technologies. Particulate filters allow the screening of both fine and ultra-fine particulate matter. Depending on the fuel the result can achieve up to 99.7% by number and up to more than 95%¹ by mass. The particulate filter is an effective mechanical system which is fully operational throughout the phases of engine operation and driving conditions.

With the introduction of the particulate filter in the late 1990s, particulate emissions plummeted from more than 3,500,000 particulates per cm³ in an unfiltered Internal Combustion Engine to less than 3,500 particulates per cm³ in an Internal Combustion Engine (ICE) with a particulate filter.

COMPARISON OF PARTICULATE EMISSIONS LEVELS OF AN INTERNAL COMBUSTION ENGINE FITTED WITH A PARTICULATE FILTER



¹Source: French Agency for the Environment and Energy Management (ADEME): particulate and NOx emissions by road vehicles – May 2018

In 2021, 73.3% of ICE Passenger Cars were sold with technology for particulate emissions to reach values lower than 1.9 mg per km (or 3 mg per mile) for both spark ignition and compression engines.

We have developed and continue to improve the technology for a high performing filter for spark ignition engines to further reduce ultrafine particles from gasoline engines. The technology development will take into account the new constraints resulting from powertrain electrification. This new filter technology is expected to be launched in 2022.

Also, Nitrogen Oxides (NO_x) emissions are minimized adopting different technologies for ICE: Three Way Catalyst and Selective Catalyst Reduction are the main technologies for vehicle applications around the world.

To reduce vapor emissions from fuel systems, also known as Volatile Organic Compounds (VOCs) and to fulfil more stringent regulations in main markets such as EU, China and U.S., Stellantis continuously seeks to improve technology for our evaporative emission control system.

Because compliance with emission requirements in all global markets is our primary goal, we continue to engineer and implement improved and newly-developed advanced emission control technologies in order to achieve that in markets with the most stringent emission regulations, such as the U.S. and Europe. Moreover, we anticipate this can confer additional clean air benefits in other markets in which such improved and advanced technologies may be deployed as well.

6.2.7.2 Partnering transparency

Peugeot, Citroen and DS Automobile brands of Stellantis have taken an innovative approach to customer transparency by publishing its vehicles' real (on the road) fuel consumption. Measurements are taken in accordance with a specific test protocol audited by an internationally renowned independent organization. The measurement protocol developed has proven to be extremely reliable for testing real-world fuel consumption and CO₂ emissions (for more information [refer to section 2.5.3 >](#)). The experiment methodology was reproduced and also used to measure NO_x and particulate emissions, as well. Since 2018 Peugeot, Citroen and DS brands publish the results of these tests to contribute to further increasing the reliability of automotive tests and measurements.

To date, Peugeot, Citroen and DS Automobile brands of Stellantis are among the few car manufacturers to have made such a commitment of transparency to benefit towards its customers.

6.3 INDUSTRIAL ENVIRONMENTAL FOOTPRINT



Stellantis's environmental stewardship endeavors to achieve the objective of reducing our environmental footprint and to contribute to the Company's financial success by reducing production costs. Through the adoption of a lean, smart and increasingly digital operating model, a commitment to sustainable innovation, and the direct participation of employees in the pursuit of excellence, we achieve consistent improvements in environmental performance at our manufacturing operations.

6.3.1 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

As outlined in [section 1.3.2 >](#) of this report, the function of the ESG Committee is to assist and advise the Board of Directors and act under authority delegated by the Board of Directors with respect to monitoring, evaluation and reporting on the sustainable policies and practices, management standards, strategy, performance and governance.

Accountable members of the Top Executive Team are supporting the CSR commitments. The Executive Vice-President (EVP) Manufacturing is responsible for:

- industrial and sites carbon footprint ([see section 2.6 >](#));
- optimization of material cycles in manufacturing processes (including waste) ([see section 6.4 >](#));
- control of industrial discharges and nuisances ([see section 6.5 >](#));
- sustainable water management ([see section 6.6 >](#));
- protection of biodiversity ([see section 6.7 >](#)).

In this role, the EVP Manufacturing validates the CSR vision, ambitions and targets for these CSR issues and is responsible for their achievement. To ensure Stellantis is working towards these ambitions, we monitor our performance against CSR targets using global KPIs.

Although our Manufacturing facilities are mainly contributing to the CSR performance, our CSR scope comprises additional Research and Development facilities including proving grounds, Offices, IT / Warehouse / Logistics centers and Retail facilities that based on their sizes and operations are considered to have an environmental impact. Therefore, the EVP Manufacturing liaises with EVP Research and Development, EVP Sales/Marketing and EVP HR & Transformation on the environmental performance of these areas.

CSR performance is reviewed on a regularly basis and appropriate actions decided with regional leadership. The EVP of the Regions together with the Manufacturing officers are responsible to develop their plans and implement actions to meet the CSR targets. On an annual basis, the Plant Managers of our production facilities are preparing site-specific plans including targets, actions and necessary investments to meet our environmental commitments. They are responsible for the environmental performance of their plant.

In our manufacturing facilities, we have dedicated environmental specialists. These specialists are supported by a network of nominated environmental representatives from various business functions. They are responsible to help ensure compliance with applicable regulation; for implementing the environmental policy and this includes managing the Environmental Management System (EMS) in compliance with ISO 14001 standard. They are responsible for supporting the CSR activities at facility level.

The Environmental Central Department (ECD) helps facilities with legal compliance and supports the local EMS by developing efficiencies and common standards. The ECD oversees and manages the quality of the EMS through audits and status reviews. ECD conduct strategic cross functional planning for reducing the environmental impact. ECD evaluates and shares best practices with the plants to encourage continuous improvement.

Continuous improvement of our environmental performance is an essential element of our policy and a common key task for sites and central functions. Environmental performance is fully integrated into the Lean Manufacturing System of Stellantis and tracked with the main Manufacturing KPIs by a standardized score card process. Monthly leadership performance status reviews on a local and corporate level helps effectiveness of implemented measures and improves the environmental footprint according to the strategic plan.

6.3.2 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

6.3.2.1 Environmental and Energy Policy

In 2021, we started developing a corporate Environmental and Energy Policy. The policy will include our commitment to comply with applicable environmental regulations, to continual improvement, and will outline how we intend to protect the environment by providing guidelines for our operations and employees. Environmental protection and energy performance are important company objectives and affect our business activities therefore input to the policy is required from many divisions. This process is ongoing and is projected to be completed by mid-2022.

6.3.2.2 An active ISO 14001 certification policy

An important Company commitment is to implement environmental management systems. These systems meet the international standard ISO 14001, a recognized standard for management and organization. By using this approach, we have implemented a common environmental strategy to identify the material environmental aspects of each site, reduce the environmental impact, draft procedures and standards, drive regulatory compliance and strive for continual improvement – the foundation of our environmental protection.

An environmental management system is in place at 93% of our production facilities. In 1995, Ellesmere Port, UK, was the first manufacturing plant to be certified. In addition to the production facilities, 3 Research and Development (Engineering) centers and 26 spare part warehouses globally have ISO 14001 certified environmental management system implemented.



6.3.3 ORGANIZATION AND RESOURCES

6.3.3.1 Managing Environmental Compliance and performance - with the Stellantis Production Way (SPW)

SPW is our manufacturing system that applies to our manufacturing processes and facilities. The system includes references to standardized tools, guidance documents and processes, which translate abstract requirements into tangible actions for production. SPW consists of 2-managerial and 10-technical domains, one of which is environment. At the heart of the environment domain our master fundamental “Managing Environmental Compliance and Performance” provides the framework for our mission to:

- comply with laws and regulations;
- achieve environmental performance through continual improvement;
- maintain an environmental management system;
- minimize use of energy and raw materials, strive for zero waste, zero emissions and zero water withdrawal for industrial activities, reduce GHG emissions;
- enhance biodiversity and preserve natural habitats;
- encourage engagement and motivation of employees;
- be a green “neighbor” in the community.

The following list shows some of the benefits of applying the SPW environment domain into our production processes:

- promotes visibility for environmental management responsibilities and tasks;
- fosters understanding of environmental matters;
- increases efficiency and reduces costs due to standardized processes and tools;
- improves and aligns quality of environmental management;
- integrates ISO 14001 standard elements following the Plan-Do-Check-Act (PDCA) cycle;
- links with compliance management and oversight.

As part of SPW, we use global Key Performance Indicators (KPIs) – consolidated in the Green Factory KPI - to track plants’ environmental performance against the targets. Tracking the Green Factory KPI, along with the exchange of best practices between production facilities, drives the overall improvement of the Company’s environmental performance based on the best performing facility.

6.3.3.2 Environmental resources

GRI 413-2

Stellantis operations aim to achieve compliance with local regulations, and beyond compliance we seek to safeguard the surrounding environment and the quality of life in our host communities. To meet our objectives, we identify the role of the environmental specialist as a key function that requires specific competence and training. We are updating standard job descriptions for our environmental experts that outline the technical and social skills required. We are reviewing training programs, materials and formats to prepare environmental training for all job levels. We are establishing a standardized regionally flexible model. Training courses will include face-to-face sessions, experience sharing opportunities and e-learning. Courses and training session attendance and requirements will be tracked.

6.4 OPTIMIZATION OF MATERIAL CYCLES IN MANUFACTURING PROCESSES (INCLUDING WASTE)



6.4.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

GRI 306-1

CSR ISSUE/CHALLENGE #16: Optimization of material cycles in manufacturing processes (including waste)

Stellantis continues its development of a circular economy and industrial processes that allow us to **reduce** the usage of raw materials (for more information, [see also section 6.1.1](#) >). This also includes material **reuse**, **recovery** and **recycling**. The processes are intended to avoid wasting natural resources and using only the quantity of raw materials necessary. By encouraging the use of recovery and recycling opportunities, this strategy also extends into waste management, striving for minimal environmental impact and our goal of zero waste to landfill.

Company's public position

Stellantis stands by the waste management goals defined by Global Compact. Additionally, as part of the ISO 14001 certification obtained by most of our plants, we develop and implement consistent improvements in environmental areas, including

waste management. Stellantis strives to recycle what cannot be reused. If neither reuse nor recovery is possible, waste is disposed according to applicable law with the aim of impacting the environment as little as possible.

6.4.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-2

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #16 Optimization of material cycles in manufacturing processes (including waste) Owners Chief Manufacturing Officer >>>	Design industrial processes that allow minimal use of raw materials and ensure 100% waste recycling in local loops of circular economy.	Total waste normalized (kg/vehicle produced)	2025: 40 kg/vehicle produced	2030: 36 kg/vehicle produced	2050: 22.5 kg/vehicle produced	48.15¹ kg/vehicle produced
		Percentage of waste recovered out of total waste generated	2025: 84%	2030: 90%	2050: 100%	80%
		Percentage of plants with zero waste sent to landfill	2025: 65%	2030: 75%	2050: 100%	61%

¹The difference compared with information included in the "Non-financial information" section of the 2021 Annual Report is 13,983 tons of total waste, as this amount of demolition waste was not deducted (contrary to the defined reporting rules).

6.4.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15

GRI 103-2

GRI 306-1

6.4.3.1 Risks

Stellantis identified some risks and has implemented several actions and initiatives to mitigate them.

- Potential business risk:
 - dependency from raw materials constraints and increasing supply cost due to material scarcity;
 - packaging material represents approximately 50% of waste generated at our production facilities. Global sourcing due to cost pressure, favors the usage of one-way packaging that ends-up as waste at our plants;
 - Stellantis has responsibility for hazardous and non-hazardous waste through final disposal of waste. Third-party service providers such as waste contractors or waste treatment and disposal facilities that fail to comply with transport or other waste regulations may cause fines or legal prosecution for Stellantis.
- Potential operational risk:
 - emerging contaminants, e.g., Persistent Organic Pollutants (POP), may limit recycling options and therefore limit our disposal methods;
 - more stringent regulations, including concentration limits, quotas, and bans, may force us to use expensive treatment methods or increase waste segregation costs;
 - lack of local waste treatment facilities may lead to waste being shipped long distances at higher costs and an increased dependency on service providers;
 - landfills located close to production facilities compete economically with waste recovery facilities located in greater distances. Unfavorable business cases may limit our plants' achieving or maintaining zero waste to landfill status.

- Potential reputation risk:

- Stellantis being held responsible for failures of third-party waste service providers that violate contractual obligations for example by illegally dumping waste. Even if Stellantis fulfilled all its obligations, this may lead to media attention resulting in impact to brand value, customer defection and legal prosecution;
- Stellantis being held responsible for increasing pollution to the environment by continuing landfilling instead of using recovery. This may result in impact to brand value, customer defection and loss of profit.

6.4.3.2 Opportunities

GRI 306-2

Stellantis identified opportunities and has implemented several actions to seize them.

- Opportunities for the business:
 - shifting the focus from waste management to resource management. This offers the opportunity to view waste materials as secondary raw material and unlock their value by transforming costs into revenue. Best practice sharing may help identify other industries interested in using these secondary raw materials;
 - to standardize waste contracts that include flexibility to react on fluctuating costs or volumes and require key performance improvement indicators for service providers to support our targets of: waste reduction, increased recovery rate and zero waste to landfill;
 - base decisions based on a full cycle cost view for packaging materials that includes purchasing to waste disposal;
 - to reduce waste handling costs and improve recyclability, set standards for packaging materials that avoid composite materials and favor materials that are easy to separate. Reduce complexity and variety of materials used to have less waste fractions but higher volumes, which may lead to better disposal prices or even revenues.

- Opportunity for operational management:
 - set standards for contractor management and auditing of waste service providers to control risks related to compliance failures;
 - make use of new ideas and technologies for instance working with start-ups to improve the quality of waste sorting, optimizing flows or identifying options for reuse or usage as secondary raw material. This may lead to establishing local circular material loops;
 - minimize usage of hazardous substances to decrease hazardous waste which reduces the costs of waste treatment and disposal;
 - identify opportunities to reuse waste as secondary raw material on-site or with external partners.

Opportunities for reputation:

- become industry leader in circular economy reducing the impact for the environment and improve brand image and sales;
- reaching 100% waste recovery represents a sustainable waste management practice and supports the reputation of the Company.

6.4.4 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

Our waste management processes seek to avoid and reduce the generation of waste in our operational processes. If we cannot avoid waste being generated, we preferentially attempt to recover material rather than dispose waste in landfills, which may have a long-term negative impact on the environment. Like other industries, vehicle manufacturing generates waste that needs to be managed and preferably recovered in local loops to reduce the need for raw materials.

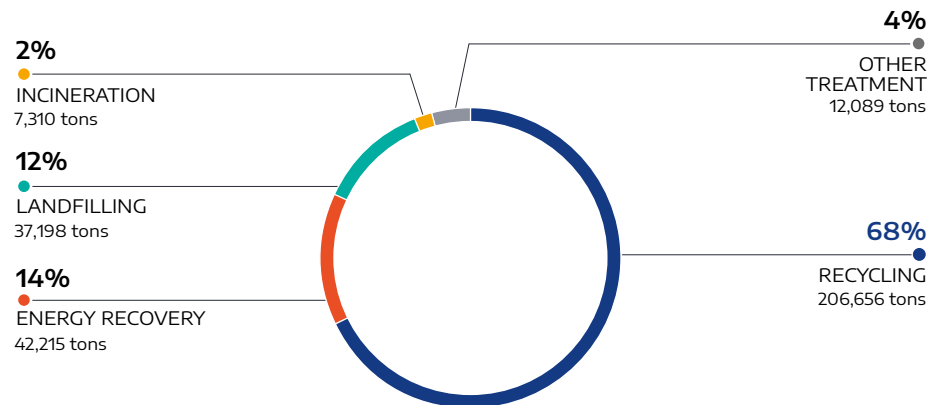
6.4.4.1 Main achievements on waste management

SASB-440b.1 GRI 103-3 GRI 306-2

In 2021, we generated in total 305,468 tons of waste, of which 273,850 tons were generated at Manufacturing sites and 31,618 tons from Retail activities.

Total waste by disposal

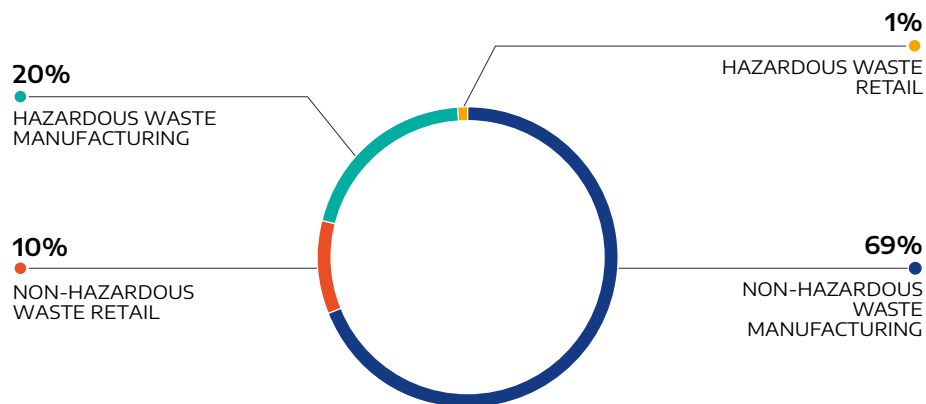
Type in % and tons



Total waste generated includes only material that we discard resulting from our operations. Therefore, we exclude waste generated in demolishing, building or remediation activities, which are not part of our operations. In 2021, waste generated from such projects added up to 38,157 tons in total. In addition, we exclude metal waste and some wastes that are specific for foundries to enable better comparison of data with other automobile manufacturers. In 2021, the total amount of metal waste summed up to 1,053,388 tons, of which 100% were recycled. The excluded waste types coming from our foundries added up to 174,474 tons in total and consisted predominately of foundry sands, the majority of which are regenerated or reused on site.

In 2021, we generated 63,693 tons of hazardous waste, which represents 21% of total waste generated. The Manufacturing activities generated 96% of the hazardous waste and Retail activities 4%.

Total waste and hazardous waste breakdown by activity



For our Manufacturing activities, in 2021, the normalized total waste generated was 48.15 kg/vehicle produced, while the normalized hazardous waste was 10.80 kg/vehicle produced. Although multiple factors such as production volume and the usage or avoidance of one-way packaging are significantly influencing waste performance of a production facility, we compare our production plants to identify the best performers and share their best practices.

The best performing vehicle assembly plant was Brampton Assembly Plant with 13.52 kg waste per vehicle produced. Additional 42% of our vehicle assembly plants performed better than our medium-term target of 36 kg waste per vehicle produced.

In 2021, we landfilled 37,198 tons of waste, which represents only 12% of our total waste generated. 61% of all the active plants, qualified as zero waste to landfill facilities, which means that no waste was landfilled (except for any waste required to be landfilled due to applicable legislation).

Waste sent to landfill out of total waste

If waste is disposed in a landfill, that waste is not available as secondary raw material; for those reasons landfilling contradicts our waste disposal commitments. In some jurisdictions, however, local law requires us to landfill our waste.

The waste streams with the biggest volumes generated at the Manufacturing facilities consists of the following:

- packing waste (wood, cardboard and plastics);
- paint operations waste (paint sludge, purge solvents);
- municipal waste;
- waste water treatment system waste (sludge, oil or water emulsions).

Waste derived from office activities consists of municipal waste. Depending on the specific retail activity, the waste generated is:

- warehouse packaging waste;
- solid waste from offices and;
- oil and lubricant waste from dealerships with workshops and maintenance activities.

6.4.4.2 Main initiatives on waste management

GRI 306-2

As outlined in [section 6.4.3](#), the challenges impacting waste generation may require strategic decisions by Global Purchasing and Supply Chain or Engineering, and other risks may be addressed by operational measures. We apply our best practice in the support of our facilities' waste avoidance, reduction, recycling, reuse, or finding more environmentally friendly disposal methods. Some examples of successful initiatives to reduce waste generation or improve recovery are listed below.

6.4.4.2.1 Initiatives to increase waste reduction and avoidance

GRI 103-3 GRI 306-2

- Packaging waste reduction:** packaging materials play an important role in waste generation and represents roughly 50% of the total waste generated. The main waste streams are wood, cardboard, plastics and mixed fractions. Reducing the generation of packaging waste requires cross-functional efforts by multiple functions such as supply chain, purchasing and quality and manufacturing. New vehicle projects require early planning for the packaging materials. The planning includes determining where the materials come from and which materials should be used in order to limit and control waste generated at plants. To support decisions, a series of workshops were conducted by central functions and environmental engineers from some European production sites. A list was generated that includes preferred packaging materials and ones we recommend that we avoid. Additional value was created by generating less waste streams with higher volumes that have a positive impact on recycling options and prices. This list of materials was incorporated into the standard packaging specifications used by Global Purchasing and Supply Chain in their procurement processes. As a next step, we plan to share and to further improve the specifications with additional knowledge and best practices coming from other regions globally.
- Reuse of industrial assets:** in our global manufacturing facilities we reuse industrial assets such as machining and production equipment to avoid waste and use resources in a sustainable way. To enable reuse, we adapted equipment for

different process needs, transferred them to other Stellantis facilities or sold them to other companies. In 2021, we transferred more than 5,500 assets globally, by these practices.

- Waste generation avoidance:** at our Kokomo Transmission and Kokomo Casting Plants (U.S.), we eliminated disposable mop heads with launderable ones for cleaning plant wide. This change saved approximately 54 tons of waste per year. We reduced approximately 12 tons of machining process coolant filter waste by changing our mist collectors' filter material to a coalescing foam; this extended the life of the filter from one to three months, thereby reducing the number of filters purchased, oil loss on filters, waste generated, and the labor to change out filters.
- From single use to reusable tanks:** choosing the right containers for liquids such as brake fluids or bumper primer that are used in our manufacturing processes can help to reduce or avoid waste being generated. At our plants in Melfi and Cassino (Italy), we changed from receiving these liquids in drums to tanks that are refilled, reducing waste by approximately 30 tons annually.
- Increasing reuse:** at our vehicle assembly plant Ellesmere Port (UK), and our component production and warehouse facility in Vesoul (France), we identified third parties that can reuse wooden one-way pallets that we previously disposed of as waste. This is a step on our way toward circular material loops and a reduction of approximately 92 tons and 72 tons of waste annually, respectively.

6.4.4.2.2 Initiatives to improve waste recovery:

GRI 306-4

- Improving waste segregation and recovery:** at our vehicle assembly plant in Goiana (Brazil), we reorganized and optimized our waste collection infrastructure. We arranged the collection bins based on the location of workstations and types of waste generated. These changes led to better waste segregation and a reduction of approximately 20% non-recyclable waste. We established a waste segregation verification process at some locations to improve the quality of waste separation practices by using an online form to identify locations that require improvement actions such as awareness training or waste collection modifications.

6.4.5 DETAILED KEY PERFORMANCE INDICATORS

GRI 103-3 GRI 306-3 GRI 306-4 GRI 306-5

6.4.5.1 Total waste generated from operation by disposal type

(in tons)

SASB-440b.1

Waste generated in 2021		Recovered recycled	Recovered energy recovered	Incinerated (w/o energy recovery)	Landfilled	Treated (disposal other than recovery, incineration, landfilled)	Total Waste Generated
Manufacturing	Enlarged Europe	107,559	17,964	6,779	4,851	11,153	148,306
	North America	37,710	4,327	124	27,427	422	70,010
	South America	30,775	15,639	385	2,032	131	48,962
	Middle East & Africa	2,788	880	-	540	-	4,209
	China and India & Asia Pacific	1,993	97	22	251	-	2,363
Total Manufacturing		180,825	38,907	7,310	35,101	11,706	273,850
Retail		25,831	3,308	0	2,097	383	31,618
TOTAL		206,656	42,215	7,310	37,198	12,089	305,468¹

¹The difference compared with information included in the "Non-financial information" section of the 2021 Annual Report is 13,983 tons of total waste, as this amount of demolition waste was not deducted (contrary to the defined reporting rules).

6.4.5.2 Additional waste streams excluded from total waste generated

(in tons)

2021	Foundry-specific waste	Metal waste
TOTAL	174,474	1,053,388

6.4.5.3 Total waste and total hazardous waste

(in tons)

2021		Hazardous Waste	Non-Hazardous Waste	Total Waste Generated
Manufacturing	Enlarged Europe	45,556	102,750	148,306
	North America	6,677	63,333	70,010
	South America	7,800	41,162	48,962
	Middle East & Africa	875	3,334	4,209
	China and India & Asia Pacific	534	1,829	2,363
Total Manufacturing		61,442	212,408	273,850
Retail		2,251	29,367	31,618
TOTAL		63,693	241,775	305,468¹

¹The difference compared with information included in the "Non-financial information" section of the 2021 Annual Report is 13,983 tons of total waste, as this amount of demolition waste was not deducted (contrary to the defined reporting rules).

6.4.5.4 Percentage of plants with zero waste sent to landfill

2021	%
Enlarged Europe	83 %
North America	21 %
South America	58 %
Middle East & Africa	67 %
China and India & Asia Pacific	33 %
TOTAL	61 %

6.5 CONTROL OF INDUSTRIAL DISCHARGES AND NUISANCES



6.5.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

CSR ISSUE/CHALLENGE #17: Control of industrial discharges and nuisances

Stellantis understands that the automotive production processes use substances and processes that generate air emissions that could potentially affect air quality, natural environments and the quality of life in the surrounding neighborhoods of our plants. In particular, we monitor and control air emissions such as Volatile Organic Compounds (VOC), that are derived from solvent use in paint processes, Sulfur Dioxide (SO₂), Nitrogen Oxides (NO_x) and Particulate Matter, that are the result of combustion processes (for example, burning fossil fuels for energy generation or heating purposes) and Ozone Depleting Substances (ODS) that leaked from refrigeration and air conditioning equipment in our plants and offices. Nuisances could also occur in the form of noise or odor generated by industrial processes or accidental releases of chemicals with potential impact on other environmental media such as soil or water, or on human health.

We are implementing processes to limit and reduce air emissions, including cleaner painting processes, the post-processing of residual emissions, noise and odor level monitoring and substitution of hazardous substances with non-hazardous ones where possible.

Company's public position

We are committed to compliance with environmental regulations in the areas that we operate. Stellantis is developing and implementing processes for consistent improvement and for controlling its environmental impact. Stellantis strives for zero VOC emissions through improvements of treatment processes.

6.5.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIS	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #17 Control of industrial discharges and nuisances</p> <p>Owners Chief Manufacturing Officer</p> <p>>>></p>	<p>Implement state of the art technical solutions to prevent industrial activities from causing nuisances to the surrounding areas.</p>	<p>Volatile Organic Compounds (VOC) emissions from paint shops normalized (g/m² painted).</p>	<p>2025: 25 g/m² painted</p>	<p>2030: 25 g/m² painted</p>	<p>2050: ambition of 0 g/m² painted</p>	<p>24.95 g/m² painted</p>

6.5.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

6.5.3.1 Risks

Stellantis identified some risks and has implemented several actions and initiatives to mitigate them.

- Potential business risks:
 - Stellantis is dependent on future technologies to accomplish the aspirational goal of zero VOC emissions in painting processes;

- today, 35% of our paint shops use solvent-based paints and are subject to stringent regulatory emission limits. High production volumes allocated to these plants increase our global VOC emissions. To convert existing solvent-based paint into water-based paint, we estimated an investment cost of several hundred million euros;
 - increasing demands by authorities for provisions and guarantees to cover clean-up costs of end-of-life real estate assets. Higher premiums to cover the insurance costs of accidental spills and releases.
- Potential operational risks:
- meeting more stringent regulatory emission factors could require adapting operational processes or replacing materials;

- reducing VOC emissions by combustion, determines increased exhaust gases and energy usage. Such combustion processes negatively contribute to CO₂ emissions and also increases NO_x emissions;
 - new residential development surrounding our facilities may be impacted by noise, light or other emissions.
- Potential reputational risks:
 - failure to meet customer expectations of minimal effect on the environment from our products and production;
 - accidental releases may cause significant legal and clean-up costs, loss of trust by neighboring communities, damage to company reputation, brand image and sales.

6.5.3.2 Opportunities

Stellantis identified opportunities and has implemented several actions to seize them.

- Opportunities for the business:
 - opportunities to work with suppliers to develop and test new painting methods and equipment, such as low overspray technology;
 - minimize the risk for accidental releases by implementing pollution control measures such as an equipment maintenance and repair program, enhancing operational procedures in our environmental management systems.
- Opportunities for operational management:
 - implement efficiency measures and process optimization including improved cleaning processes and batch painting which reduce usage of solvents and produce less emission;
 - reduction of solvent emissions by using solvent-free or low solvents;
 - replace manual painting operations with automatic painting processes, which use less paint and generate less overspray, thereby reducing VOC emissions and paint sludge;
 - limit the nuisances to people and the environment by managing the chemicals used on site e.g., ban of substances that causes odor nuisances.

- Opportunities for reputation:
 - enhance relationships, social acceptance to operate and brand value by maintaining or improving air and soil quality and reducing noise and odor in the neighboring communities;
 - demonstrate transparency by disclosing information to authorities and to the public in case of accidental harmful releases in the environment.

6.5.4 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3

6.5.4.1. Reducing air emissions

GRI 305-6

GRI 305-7

Besides industrial carbon dioxide (CO₂) emissions (for more information, [see section 2.6](#)), Volatile Organic Compounds (VOCs), Sulfur Oxides (SO_x), Nitrogen Oxides (NO_x), Particulate Matter (PM), and Ozone Depleting Substances (ODS) are air emissions generated by Stellantis facilities. These emissions result from the usage of chemical products in painting operations, surface treatment activities, foundry processes, dust collectors, and from burning fossil fuels in heating and VOC abatement processes.

Reducing Volatile Organic Compound (VOC) emissions

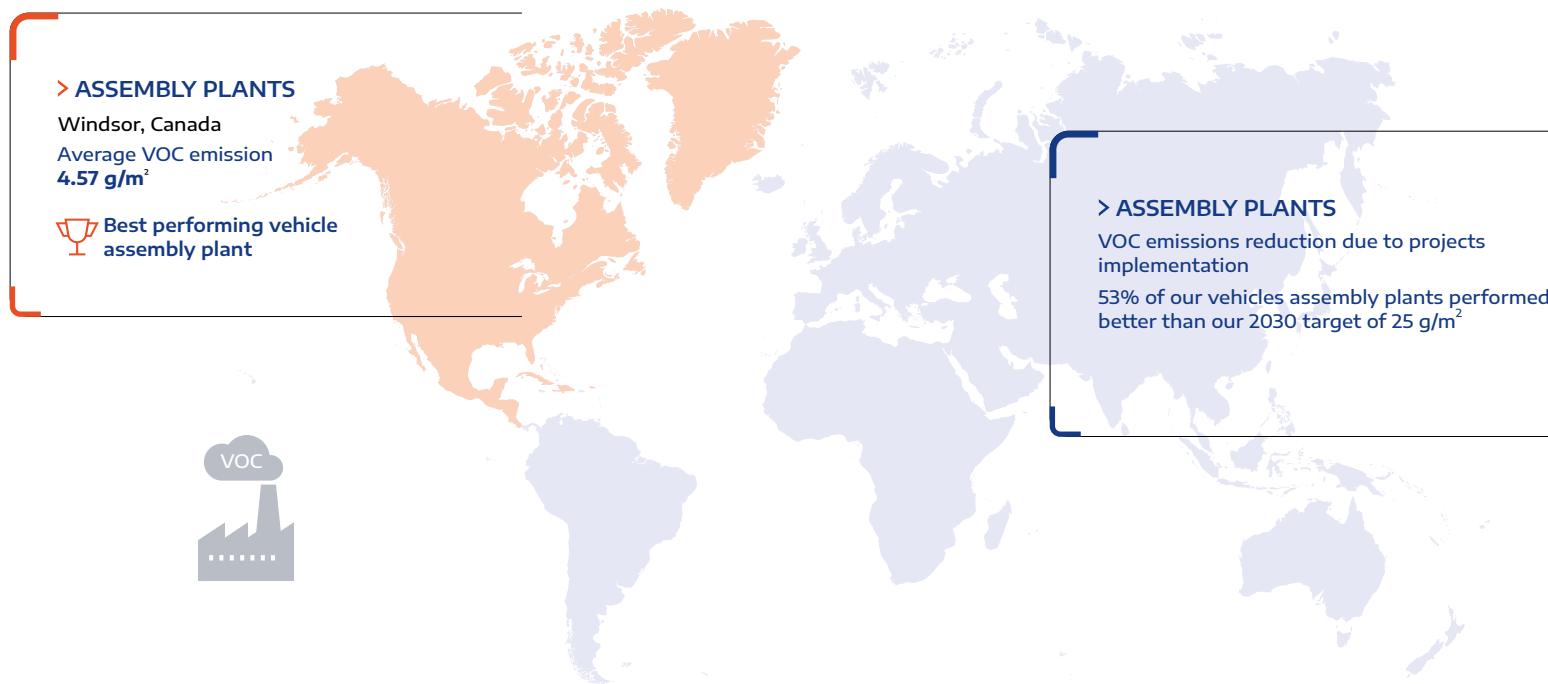
VOCs require environmental controls to reduce the affect on air quality. Some VOCs are harmful to human beings and the environment, some come from natural sources and others are human-made. In most jurisdictions, regulations are in place to limit and control industrial VOC emissions.

The majority of VOC emissions generated in our manufacturing operations come from vehicle painting operations or surface treatment processes. VOCs are significant constituents in the formulation of paints and cleaning materials used in paint shops. Even though paint shops using waterborne base coats contribute to our VOC emissions, paint shops with solvent-based base coats play the most important role. Approximately, 35% of our paint shops use solvent-based base coats. When high production volumes are allocated to these plants, they become main drivers for our global VOC emissions.

In 2021, we emitted 24.95 g/m² painted surface or 2.82 kg/vehicle produced. The best performing vehicle assembly plant was Windsor Assembly Plant with 4.57 g/m².

However, additional 53% of our vehicle assembly plants performed better than our medium-term target of 25 g/m².

OUR EFFORTS TO REDUCE VOC EMISSIONS



We focus our actions on reducing VOC emissions, efficiency measures, reducing consumption of paints and their solvent content, implementing low-emission technologies and installing air treatment equipment for incinerating VOC. Measures for recycling and reuse of solvents for cleaning purposes are ongoing.

The following selected examples illustrate our efforts to reduce VOC emissions:

- in the paint shops at our vehicle assembly plants in Zaragoza and Madrid (Spain), clear coat lines and base coat lines were retrofitted to replace manual interior painting with robotic applicators. This automated process reduces VOC emissions by up to 2 g/m² in Zaragoza and by up to 3.2 g/m² in Madrid;

- in our vehicle assembly plant in Hordain (France), we overhauled VOC abatement equipment including zeolite wheel concentrators to achieve the manufacturer's designed VOC destruction efficiency. This measure reduces VOC emissions up to 4 g/m²;
- our Torino Mirafiori (Italy) plant applies a system of selective permeation, where the nitrogen contained in the compressed air, once heated, is used as a booster fluid in the application of paint products. The advantage of using nitrogen is realized by a more efficient application rate due to the ionization of the fluid, with a consequent reduction in paint overspray. The investment amounted to around €250,000 to equip 8 spraying robots and reduces the VOC emissions by up to 0.5 g/m².

Stellantis invests in research and development for new paints and paint technologies. Progress has been made to increase the solid content of the white paint on commercial vehicles, which allows the reduction of the amount of solvent and decreases VOC emissions.

Reducing emissions of Sulfur dioxide (SO₂), Nitrogen oxides (NO_x) and Particulate Matter (PM)

Both gases, SO₂ and NO_x, are present in our atmosphere and have natural and industrial origins. Human-made sources are any kind of combustion process, e.g., burning of fossil fuels. The gases can form acid rain, which negatively affects ecosystems such as, forests and lakes, as well as man-made structures like buildings and statues. Therefore, industrial SO₂ and NO_x emissions are regulated in most jurisdictions.

Particulate Matter (PM) is solid or liquid particles that is measured in micrometers (1,000 times smaller than millimeter) and suspended into the air. PM may come from natural or human-made sources. PM can cause harm to human health, and the suspended particles can affect the amount of incoming and reflected radiation in the earth's atmosphere and therefore influence our climate.

In our Manufacturing facilities, we operate different types of combustion installations using fossil fuels, such as ovens for drying painted parts, thermal oxidizers for reducing VOC emissions, boilers for heating buildings, and cogeneration plants for heat and electricity generation. In our Retail activities these emissions are linked with heating or air conditioning.

In 2021, our SO₂ emissions were in total at 110 tons, NO_x emissions were at 1,463 tons and PM at 115 tons.

We control our emissions through efficiency and modernization of equipment and communicate transparently:

- during the air emission permitting process for the Detroit Assembly Complex Mack (U.S.), concerned citizens commented that there were no existing State of Michigan air monitoring stations in the immediate vicinity of the plant. As a result, and even though not required by law, Stellantis installed a new ambient air monitoring station to provide local air quality data. Air monitoring began in November 2020 with data reported quarterly to the State of Michigan's environmental agency, which makes it publicly available on the agency's website. Data collected through 2021 indicates that the air quality in the vicinity of the plant is consistent with, or better than, the air quality at locations being monitored elsewhere in the City and is below the applicable National Ambient Air Quality Standards (NAAQS).

Reducing Ozone Depleting Substances (ODS) emissions

Ozone Depleting Substances (ODS) are a group of chemical substances that have the ability to react with ozone and negatively impact the ozone layer of the stratosphere. The ozone layer prevents harmful wavelengths of ultraviolet light to reach the earth's surface which cause harm to human beings, vegetation and animals. Since the Montreal Protocol in 1987 and the subsequent revisions of this international treaty, production of certain groups of ODS have been banned, and their usage was phased-out or will phase-out within the next few years.

Most ODS are used as refrigerants, solvents or blowing agents which makes them available in process and air conditioning equipment at our manufacturing facilities, offices and retail sites, as well as in the air conditioning systems in our products. Stellantis monitors ODS emissions during ODS-containing equipment maintenance or service activities and leak checks. ODS emissions are recorded in the event of an incident of an equipment installation. In 2021, our ODS emissions were in total at 39 kg of CFC-11 equivalent.

6.5.4.2. Reducing other industrial discharges and nuisances

Reducing chemicals

Stellantis strives to manage the usage of hazardous chemicals in a rigorous manner. When a new chemical product is introduced at a plant, it is assessed. The assessment includes checking the nature and acceptability of the health and environmental impacts. This assessment either results in a ban of the product or acceptance for use with risk prevention requirements. Safety data sheets are developed for authorized products and access to the information is provided to employees.

In addition to the approval processes, structural measures such as building retention basins or using above ground pipe systems versus underground piping to carry liquids, can limit the impact in case of accidental releases. To minimize chemical risks, supervisors or other functions conduct checks of environmental procedures and installations during site walks and inspections as part of Stellantis Production System or during ISO 14001 audits. In addition, inventories of chemical products in stock enables the facility to limit on-site volumes.

Reducing other forms of nuisances in local communities, as noise or odor

Noise and odor caused by our operations may cause nuisances to our neighbors including residential areas located close to our facilities. We seek to address the potential risks by conducting impact studies and action plans potentially associated with our manufacturing facilities. The studies assess the sensitivity of residential areas surrounding the plants with criteria such as sound levels, odors or traffic. When new chemical products are introduced at a plant, the components are reviewed to limit issues such as odor. In most jurisdictions, studies are required for new facilities or as part of major site redevelopment and building projects. Usually, these studies are subject to public disclosure and approval by the authorities.

Avoiding and remediating soil contamination

Given the long history of some industrial facilities, soil impacts may be present at our sites. Historic contamination may be caused by leakages from underground storage tanks, underground pipes or spills. We conduct site investigations as part of ongoing initiatives, site acquisition or divestment projects, and at the request of regulators. The initial site investigation step usually includes record reviews and interviews to identify potential areas of concern. In the following steps, if necessary, onsite investigations may include the analysis of soil, surface water or groundwater, or soil gas samples in order to determine the presence and extent of potential contamination. In some cases, this onsite investigation may consist of several phases to delineate the extent of the contamination. Depending on the results, measures such as monitoring, containment or remediation activities are implemented. Our environmental experts liaise closely with the involved authorities to comply with local regulations.

6.5.5 DETAILED KEY PERFORMANCE INDICATORS

GRI 103-3 | GRI 305-6 | GRI 305-7

6.5.5.1 VOC emissions from paint shops in tons and normalized

(in grams/m² as applied)

2021		VOC g/m ² painted	VOC tons
Manufacturing Activities	Enlarged Europe	28.82	9,318
	North America	14.79	3,410
	South America	34.90	2,789
	Middle East & Africa	58.66	514
	China and India & Asia Pacific	Not available	Not available
TOTAL		24.95	16,031

VOC = Volatile Organic Compounds emitted into the air by coating operations

6.5.5.2 Industrial air emissions

2021		ODS kg of CFC-11 equivalent	NOx kg	SO ₂ kg	Particulate Matter kg
Manufacturing Activities	Enlarged Europe	29.22	688,615	4,900	59,506
	North America	14.79	678,239	104,640	49,832
	South America	34.90	56,419	350	3,609
	Middle East & Africa	58.66	5,500	38	418
	China and India & Asia Pacific	Not available	522	11	58
Total Manufacturing Activities		39	1,429,295	109,939	113,423
Retail			34,186	215	1,696
Total		39	1,463,481	110,154	115,119

ODS = Ozone Depleting Substance. Reported are R11 (CFC11), R12 (CFC12), R13 (CFC13) R115 (CFC115), R502 (HFCF502), R500 (HCFC500), R22 (HCFC22), R124 (HCFC124), R142B (HCFC142B), R408A (HCFC408A), R409 (HCFC409), R402A (HCFC402A)

SO₂ = Sulphur dioxide – NOx = Nitrogen oxides.

Note: Direct SO₂, NOx and PM emissions are calculated using publicly available emission factors per fuel types

PM = Particulate Matter microscopic solid or liquid particles suspended in air, reported are PM_{Total}

6.6 SUSTAINABLE WATER MANAGEMENT IN MANUFACTURING



6.6.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1 | GRI 103-2 | GRI 303-3 | GRI 303-4 | GRI 303-5

CSR ISSUE/CHALLENGE #18: Sustainable water management in manufacturing

Stellantis aims to continuously adjust its manufacturing processes to use less water and to increase recycling and reuse of its industrial water, by monitoring our water

consumption to continue to remain agile to modify and improve processes. We are aware that there are water-stressed areas around the world where less-efficient water use may have adverse social and environmental effects due to reduced water availability, quality and disruption of ecosystems.

Company's public position

GRI 413-2

As a Global Compact member, Stellantis fully adheres to the sustainability development goals for clean water management.

Furthermore, Stellantis obtained ISO 14001 certification for the vast majority of our plants and as such the Company is developing and implementing processes for improvement of water management.

Stellantis is committed to promote responsible water stewardship to strive for zero water withdrawal in industrial activities and to prevent any pollutant discharge. Where our plants are in area's with identified water stress, Stellantis is committed to implement extra water management measures.

6.6.2 FORWARD-LOOKING VISION AND TARGETS

[GRI 103-2]

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
CSR issue #18 Sustainable water management in manufacturing Owners Chief Manufacturing Officer >>>	Promote responsible water stewardship to strive for zero water withdrawal by water recycling in industrial activities.	Total water withdrawn normalized (m ³ /vehicle produced)	2025: 3.5 m ³ /vehicle produced	2030: 3.0 m ³ /vehicle produced	2038: 2.0 m ³ /vehicle produced in water-stressed areas 2050: 1.0 m ³ /vehicle produced	4.77 m³/vehicle produced

6.6.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15

GRI 103-2

6.6.3.1 Risk

Stellantis identified some risks and has implemented several actions and initiatives to mitigate them.

- Potential risk for the business:
 - developing manufacturing facilities in water-stressed areas may affect the local water use and the livelihood in the communities, leading to potential conflicts and water usage restrictions for our facilities;
 - increased flood risk due to extreme weather events affecting facilities located close to rivers, in river basins or other geographical locations;
 - water scarcity is an emerging global environmental topic and its affects are not fully experienced or understood in every region. This constraint may lead to an underestimation of the severity of the issue. Investment costs versus operational costs may make it difficult to implement new water saving technology and processes within manufacturing facilities in many regions.
- Potential risks for operational management:
 - water shortage may lead to increased water supply costs, reduction of production volume or disruption of operations, leading certain governments to impose more stringent requirements for obtaining and maintaining permits for water withdrawal. There are some facilities that need to change current operational permits to maintain operations;
 - more stringent regulatory targets on pollution control of wastewater discharge are causing us to adapt our production processes or substitute raw materials, which may lead to increased cost for water treatment;
 - extreme temperatures and droughts can cause the rise in temperatures of rivers and streams. When the water temperatures exceed the temperatures allowed by regulators, we may be restricted from discharging cooling waters from cogeneration power plants which could impact production.

- Potential reputational risk:
 - water management and target setting requires a site specific approach. The challenge is to meet stakeholder expectations with customized actions based the local water constraints;
 - being held responsible by the general public or neighboring communities for exploiting or polluting shared water resources with our manufacturing facilities;
 - being held responsible for increasing the water stress in regions where we develop new facilities. This may result in impact to brand value, customer defection and and loss of profit.

6.6.3.2 Opportunities

Stellantis identified opportunities and has implemented several actions to seize them.

- Opportunities for the business:
 - adopt best practices and public scientific data and tools to assess water risks for facilities;
 - direct investments toward facilities located in water-stressed areas or projects that have the biggest impact on water by reducing risk and increasing performance;
 - design out pollutants from materials or processes to minimize water treatment and associated costs.
- Opportunities for operational management:
 - implement technology and processes that require less water for new facility design or facility redevelopment projects. Enable recycling or reuse of water to reduce dependency on the water resources may save water supply and clean-up costs. In existing facilities, the deployment of best practices shared amongst the manufacturing plants support efficiency improvements in water usage;
 - adopt efficiency measures to reduce water usage and wastewater treatment may lead to less energy usage, and therefore have a positive impact on operational costs, as well as on CO₂ emissions combating climate change;
 - implement internal water quality standards and clean-up goals to anticipate and address stringent targets set by regulators. In addition, improved water quality offers more options for reusing water.

- Opportunities for reputation:
 - maintain or improve water availability for others in locations of high water-stressed areas, enhance community relations, social acceptance to operate and increase brand value;
 - proactive disclosure of information regarding our sustainable water management initiatives, outreach activities with the neighboring community or education initiatives on water issues.

6.6.4 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 413-2

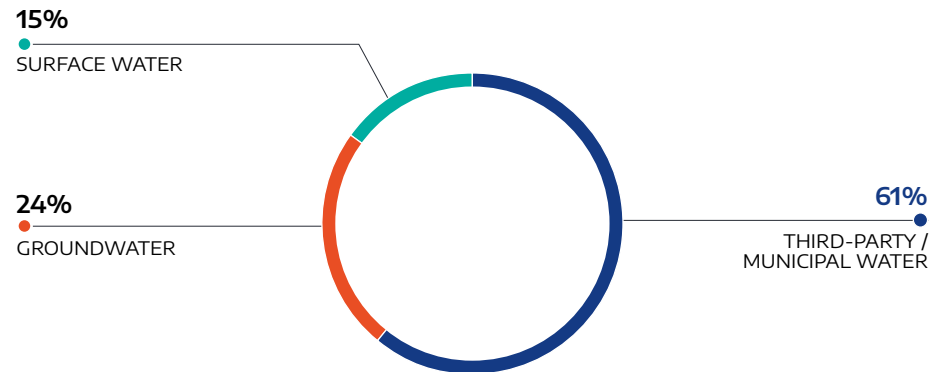
6.6.4.1 Main achievements on water management

GRI 103-3 | GRI 303-1 | GRI 303-2 | GRI 303-3 | GRI 303-4 | GRI 303-5

Water withdrawn

In 2021, we withdrew in total 27,540 thousand m³ of water, of which 27,142 thousand m³ were withdrawn by Manufacturing sites and 398 thousand m³ for Retail activities. The sources for our water supply was comprised of third-party or municipal water at 61%, surface water at 15% and groundwater at 24%. Stellantis does not abstract seawater, all water withdrawn is considered freshwater. In addition, 44,904 thousand m³ of water from surface waters were abstracted for cooling purposes at our own cogeneration plants.

Annual water withdrawal by source

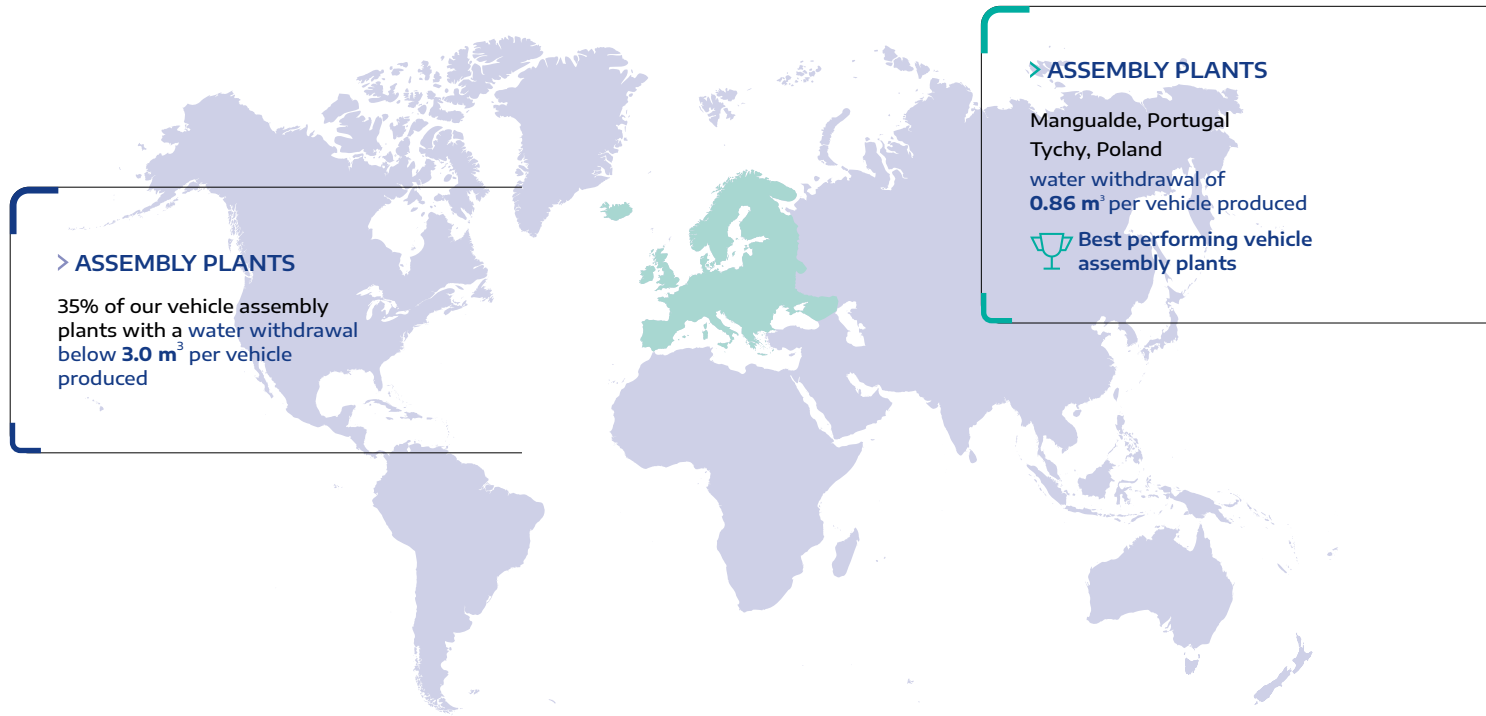


The normalized water withdrawn for the all Stellantis businesses in 2021 was at 4.77 m³ per vehicle produced.

Our manufacturing facilities vary widely in terms of plant size, production volume, operations performed, technologies installed, age of facility, all of which can influence water use and treatment. We analyze the performance of the best performing plants to identify and share best practices.

The best performing vehicle assembly plants were Mangualde and Tychy with a water withdrawal of 0.86 m³/vehicle produced. However, additional 35% of our vehicle assembly plants performed better than our medium-term target of 3.0 m³ per vehicle produced.

WATER WITHDRAWN ACHIEVEMENTS



> ASSEMBLY PLANTS

35% of our vehicle assembly plants with a water withdrawal below **3.0 m³** per vehicle produced

> ASSEMBLY PLANTS

Mangualde, Portugal
Tychy, Poland
water withdrawal of **0.86 m³** per vehicle produced

 Best performing vehicle assembly plants

The majority of water withdrawn is used in Manufacturing activities for the following processes:

- Vehicle painting;
- Cooling;
- Cleaning processes;
- Sprinkler systems;
- Sanitation and hygiene;
- Drinking water;

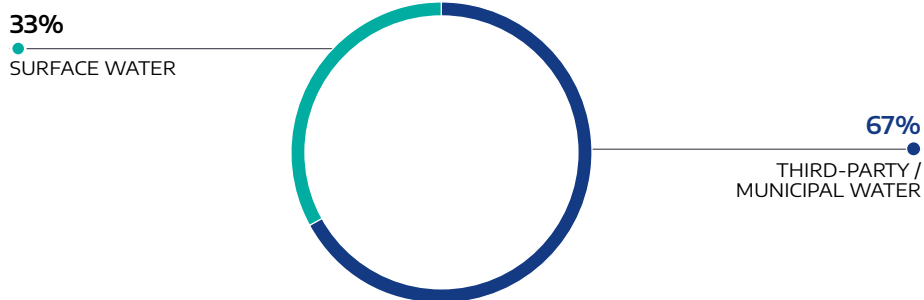
The majority of water withdrawn for Retail activities is used for the following processes:

- sanitation and hygiene;
- drinking water;
- car washing in dealerships and workshops.

Water discharged and pollution control

In 2021, we discharged in total 19,148 thousand m³ wastewater, of which 19,027 thousand m³ was discharged by Manufacturing sites, and 121 thousand m³ for our Retail activities. We discharged 67% into third-party / municipal industrial sewer systems, and 33% into surface waters. The wastewater discharge into the groundwater was negligible. Stellantis did not directly discharge any wastewater into seawater or oceans.

Water discharge destination and volumes

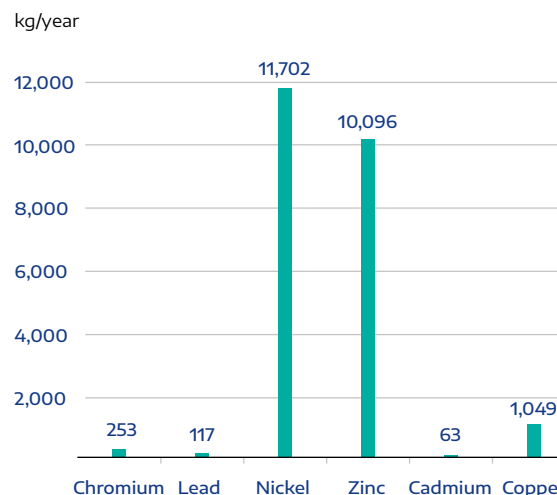


Like other industries that are using water for their production, vehicle manufacturing processes have some impact on water quality. One of the impacts is from the presence of metals from processes and materials used for surface treatment. Typical heavy metals are Cadmium (Cd), Chromium (Cr), Copper (Cu), Nickel (Ni), Lead (Pb) and Zinc (Zn). In addition, physical chemistry parameters such as Chemical Oxygen Demand (COD), Biological Oxygen Demand (BOD) and Suspended Matter (SM) are typical water quality impacts from manufacturing operations of whatever kind. Therefore, most of the plants monitor their wastewater discharge for these water quality factors as outlined within their operational permit requirements.

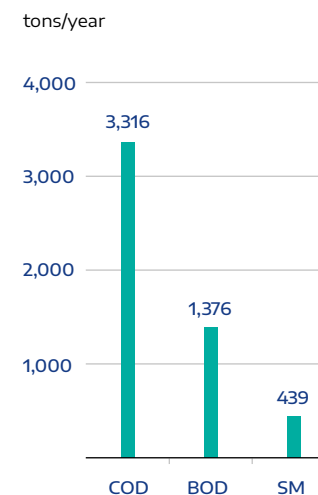
Many jurisdictions have implemented regulations to control the discharge of heavy metals. These regulations are regularly revised to increase the list of controlled substances or to further decrease emission limit values. These modifications are reflected in changes to the operational permits of our plants, which also specify the frequency of measurements and controls.

Meeting legal and permit requirements is a given, however, we aim to discharge wastewater with regulated constituents at levels well below legal limits. As such, we regularly measure and analyze the quality of wastewater produced to obtain a comprehensive view of the impact on water quality. All production plants active in 2021 were serviced by either an internal or external wastewater treatment plant.

Heavy metal loads



COD, BOD, SM



The loads shown in the charts above include heavy metal loads for Stellantis plants in 2021. The loads were calculated with concentrations measured at the discharge monitoring points of our sites.

Water consumption

Water consumption is defined as water withdrawn minus water discharged. In 2021, we consumed a total amount of water of 8,392 thousand m³, of which 8,115 thousand m³ at manufacturing facilities and 277 thousand m³ at retail sites.

The difference between total withdrawn and discharge can be explained by additional rainwater supplied and discharged minus evaporated water from operations that necessarily have exposed water functions, such as water cooling towers. Some older plants do not have a separate sewer system for the collection and discharge of rainwater versus process wastewater or sanitary wastewater. In these cases, the municipal or Stellantis wastewater treatment plant must treat all such water discharge volumes, increasing its costs and our tax expenditures.

6.6.4.2 Main initiatives on water management

GRI 303-3 GRI 303-4 GRI 303-5

As outlined in [section 6.6.3](#), the main two water risks impacting operational management are related to water shortage resulting in increasing pressure of authorities to reduce water withdrawal as well as establishing more stringent discharge values to secure water quality. We apply best practices to support plants with the reduction of water usage and improvement of water quality.

Some examples of successful initiatives to reduce water usage or improve water quality:

Avoid or reduce losses and leakages:

- A number of measures taken at our vehicle assembly plant in Ellesmere Port (UK) enabled us to save approximately 35,500 m³ per year. The measures included leakage repair, closing and isolation of redundant pipes and valves and adjusting water flow within the paint shop.

Rainwater collection:

- At our site in Vesoul (France), we built a storage building for spare parts. Rainwater from the roof and parking areas is collected and used for sanitary water purposes. The full capacity of the tank provides rainwater for 60 days, reducing the total amount of fresh water we would need.

Cooling tower water reuse:

- We implemented several measures at our vehicle assembly plant Hordain (France) to enable reuse cooling tower treatment water. This process saved approximately 4,000 m³ water per year. We are reusing water for cleaning conveyor sleds in our paint shop which is estimated to save approximately 2,000 m³ water per year.
- We recognized at our Kokomo Transmission plant, U.S. that a high loss of water was from the cooling towers (46%). To reduce its usage, we implemented multiple engineering and management measures, which reduced water consumption by 120,000 m³ water per year.

Process improvement:

- We modified our quench tank system at Kokomo Casting plant, U.S., to further cool quenched parts, which allowed more efficient physical handling of parts from our workers, such as eliminating water overflow and maintenance down time. We were able to reach a reduction of approximately 7,800 m³ water per year.
- At our Saltillo North Engine Plant, Mexico we enhanced the groundwater extraction, treatment and water reduction process to improve the Reverse Osmosis (RO) softening system to reduce water consumption in this water-stressed area of Mexico. We installed a second-stage RO system, reducing groundwater extraction. We built a detention pond next to the Waste Water Treatment Plant (WWTP) and installed an evaporator unit to evaporate the highly briny water from the RO reject.
- At our engine plant Hosur (India), we are able to collect and store RO rejection water in a 5 m³ tank for reuse in our cafeteria. This simple measure helped saving approximately 3,300 m³ water per year.

6.6.5 DETAILED KEY PERFORMANCE INDICATORS

GRI 303-1 | GRI 303-3 | GRI 303-4 | GRI 303-5 | GRI 413-2

6.6.5.1 Annual water withdrawal¹ by business, geographical area and source (in thousands of m³)

2021		3 rd party or municipal water	Surface water	Groundwater
Manufacturing	Enlarged Europe	5,427	4,114	4,583
	North America	9,782	24	1,456
	South America	957	81	465
	Middle East & Africa	178	-	-
	China and India & Asia Pacific	39	-	36
Total Manufacturing		16,383	4,219	6,540
Retail		398	-	-
SUBTOTAL		16,781	4,219	6,540
TOTAL			27,540	

6.6.5.2 Annual water discharge by business, region and destination (in thousands of m³)

2021		3 rd party or public sewer	Surface water	Groundwater
Manufacturing	Enlarged Europe	5,364	5,777	-
	North America	6,881	149	-
	South America	385	369	-
	Middle East & Africa	76	-	-
	China and India & Asia Pacific	11	-	15
Total Manufacturing		12,717	6,295	15
Retail		112	9	-
SUBTOTAL		12,829	6,304	15
TOTAL			19,148	

¹ excluding cooling water for cogeneration plants, remediation activities and water provided to 3rd parties, tenants unrelated to Stellantis operations

6.6.5.3 Annual water consumed by business, region and destination (in thousands of m³)

2021		Total water withdrawn	Total water discharged	Total water consumed
Manufacturing	Enlarged Europe	14,124	11,141	2,983
	North America	11,262	7,030	4,232
	South America	1,503	754	749
	Middle East & Africa	178	76	102
	China and India & Asia Pacific	75	26	49
Total Manufacturing		27,142	19,027	8,115
Retail		398	121	277
TOTAL		27,540	19,148	8,392

6.6.5.4 Percentage of freshwater over total water withdrawn and over total water discharged (in percent)

We do not withdraw seawater, therefore we consider:



6.6.5.5 Annual water withdrawal and discharge from water stressed areas by region in 2021

(in thousands of m³)

Geographical Area	Plant name	Water stressed areas according to Aqeduct Risk Atlas ¹		Total water withdrawal m ³	Total water discharge m ³
		high	extremely high		
Enlarged Europe - France	Caen	1		84,223	63,507
	Charleville	1		205,257	113,678
	Douvrin (FM)		1	212,379	81,230
	Hordain		1	229,829	371,756
	Rennes	1		101,509	42,547
	Valenciennes		1	85,826	38,191
Enlarged Europe - Italy	Atessa Plant		1	870,733	788,933
	Atessa Plastic		1	8,090	8,090
	Cassino Plant		1	258,607	258,607
	Cassino Press Shop Plant		1	31,482	31,462
	Cento Engine Plant		1	12,765	6,469
	Melfi Plant		1	745,820	645,350
	Melfi Press Shop Plant		1	incl. in line above	incl. in line above
	PCMA Napoli		1	26,971	24,273
	PCMA Tito Scalo		1	533	288
	Pomigliano d'Arco Plant		1	392,233	355,149
	Pomigliano d'Arco Press Shop Plant		1	1,750	1,750
	Pratola Serra Powertrain Plant		1	117,793	74,183
	Termoli Powertrain Plant		1	279,587	202,656
	USL Cassino Plant (FGA_03)		1	2,488	2,488
	USL Villa Santa Lucia Plant (FGA_03)		1	3,441	3,441

Geographical Area	Plant name	Water stressed areas according to Aqeduct Risk Atlas ¹		Total water withdrawal m ³	Total water discharge m ³
		high	extremely high		
Enlarged Europe - other countries	Eisenach	1		81,452	155,026
	Luton IBC	1		290,065	286,083
	Madrid		1	98,036	154,314
	Ruesselsheim	1		951,470	1,075,057
	Zaragoza	1		834,631	594,320
North America	Saltillo Complex - Assembly Plant		1	514,793	0
	Saltillo North Engine Plant		1	168,137	1,200
	Saltillo South Engine Plant		1	89,238	0
	Saltillo Van Assembly Plant		1	168,704	0
	Teksid Hierro de Mexico Plant		1	100,399	0
	Toluca Complex - Assembly Plant		1	235,166	90,221
Middle East & Africa	PCMA Bursa			3,306	2,777
	PCMA Bursa Mechanical Control Systems	1		1,043	991
China and India & Asia Pacific	Hosur		1	19,107	14,489
	Thiruvallur		1	16,624	not available
Total		7	29	7,243,488	5,488,528

¹ Aqeduct Water Risk Atlas ↴

6.6.5.6 Annual heavy metals discharge (loads) into water

(in kg/Year)

2021		Chromium (Cr)	Lead (Pb)	Nickel (Ni)	Zinc (Zn)	Cadmium (Cd)	Copper (Cu)
Manufacturing Activities	Enlarged Europe	20	22	934	7,996	54	960
	North America	232	89	10,739	1,751	9	82
	South America	-	5	26	101	-	4
	Middle East & Africa	1	1	1	248	-	3
	China and India & Asia Pacific	-	-	2	-	-	-
Total		253	117	11,702	10,096	63	1,049

6.6.5.7 Annual COB, BOD, suspended matters discharge (loads) into water

(in kg/Year)

2021		COD	BOD	Suspended Matter
Manufacturing Activities	Enlarged Europe	1,563	554	275
	North America	1,678	800	275
	South America	42	15	6
	Middle East & Africa	32	7	20
	China and India & Asia Pacific	1	-	-
Total		3,316	1,376	439

BOD = Biochemical Oxygen Demand; COD = Chemical Oxygen Demand; SM = Suspended Matter / TSS = Total Suspended Solid

6.7 PROTECTION OF BIODIVERSITY



6.7.1 CONTEXT AND STELLANTIS POSITION

GRI 103-1

CSR ISSUE/CHALLENGE #19: Protection of biodiversity

The World Economic Forum's **Global Risks Report 2020** ranks biodiversity loss and damage to the ecosystem as one of the top five risks of likelihood and impact in the coming ten years. It is closely linked with other top risks identified such as climate change, extreme weather and natural disasters highlighting the complexity of nature, and the volatile ways of impacting us as human beings and industrial corporations.

Even though the protection of biodiversity is a complex process and the impact of the Company's manufacturing operations on biodiversity is relatively limited, Stellantis has implemented dedicated measures aimed at further minimizing this issue. The activities are focused on biodiversity inventories, awareness campaigns for employees, and other stakeholders such as the community surrounding our manufacturing facilities, and working with students, all for preservation of natural habitats near its areas of operations.

Company's public position

Stellantis's plants endeavor to ensure biodiversity knowledge and preventative actions relevant to their geographic scope along with the development of biodiversity on the related sites by preserving natural habitats and by implementing projects. Stellantis is currently assessing different biodiversity management tools in order to meet the upcoming requirements stemming from the European Taxonomy legislative proposal.

6.7.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #19</p> <p>Protection of biodiversity</p> <p>Owners Chief Manufacturing Officer</p> <p>>>></p>	<p>Ensure the development of biodiversity on our sites by preserving natural habitats.</p>	<p>Percentage of plants that have done a RENATU evaluation and are developing biodiversity projects.</p>	<p>2025: 60%</p>	<p>2030: 100%</p>	<p>2050: strategic partnership for global biodiversity program.</p>	<p>26%</p>

6.7.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 | GRI 103-2

6.7.3.1 Risks

Stellantis identified some risks and has implemented several actions and initiative to mitigate them.

- Potential risks for the business:
 - dependency of business on natural resources such as air, soil or water for its direct operations or indirect supply chain. According to the **New Nature Economy Report 2020** issued by World Economic Forum, the automotive industry’s dependency on nature is assessed to be low to medium for its direct

gross value added, whereas the gross value added of the automotive industry’s supply chain was assessed to be more dependent on nature and therefore referred to as a “hidden dependency”;

- loss in nature causing socio-economic instability in countries of operation resulting in disrupted business continuity or loss in markets.
- Potential risk for operational management:
 - regulatory and legal risk of increased governmental actions on biodiversity are expected, such as restrictions on land usage or usage of ecosystem services. Potential increase in taxes, insurance premiums, new trade directives or reforming subsidies and increased disclosure requirements may be expected;
 - climate change causing loss in natural habitats such as forests that were served as important buffer areas during extreme weather events may lead to the potential for severe impact on business continuity;

- value of real estate may be endangered by invasive species or diseases, causing costs for removal, pest control, subsequent remedy measures and potential legal proceedings if surrounding areas are affected.
- Potential reputational risk:
 - being held responsible by customers or the general public for loss in biodiversity from building new or expanding facilities, by materials or technology used in products or sourcing of raw material in its supply chain, and emissions from our products. This may result in a negative impact to our brands' value, customer defection, loss of profit and conflicts with neighboring community.

6.7.3.2 Opportunities

Stellantis identified opportunities and has implemented several actions to seize them.

- Opportunities for the business:
 - corporate land areas can be an important contribution to climate action, for example as a source of carbon sequestration or increased resilience for the human-made, built and natural environments;
 - major infrastructure projects or expansion of existing facilities, are highly dependent on stakeholder acceptance. Integrating conservation measures as part of the site selection and implementation can help with adding value to neighboring communities and building acceptance with stakeholders;
 - work with supply chain to reduce indirect impact on biodiversity loss and reduce hidden dependency of the automotive industry.
- Opportunities for operational management:
 - Stellantis conservation and education activities contribute to maintaining a social acceptance to operate;
 - conservation measures may also add value to the real estate property or may increase its resistance toward climate change related extreme weather such as droughts, floods, etc. besides providing a more attractive environment for employees.

- Opportunities for company reputation:
 - Stellantis conservation practices on corporate land demonstrate a long-term commitment to quality habitat for wildlife, conservation education and community outreach initiatives;
 - talent attraction and retention by offering employee biodiversity engagement activities that meet a variety of needs including work-life balance, health and wellness and providing value to the communities in which Stellantis operates;
 - communicating a company's efforts to further biodiversity and sustainability is an important driver to gaining value to a company's social acceptance to operate and positive brand value.

6.7.4 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3 GRI 304-2 GRI 413-2

Stellantis uses the tool RENATU to evaluate biodiversity at green areas located at its production facilities. RENATU is a self-assessment tool developed to evaluate the biodiversity of industrial sites or developed areas. It was developed by the University of Paris 1 Pantheon Sorbonne and has been designed and scientifically validated within the framework of the ITTECOP (Infrastructure de transport terrestre écosystème et paysage) program of the French Ministry of the Ecological Transition and Solidarity.

The RENATU indicator consists 11 categories that address items such as: invasive species, various vegetation layers, the presence of microhabitats, nesting sites and distance to biodiversity reservoirs. The assessment is conducted by site walkthroughs and data analysis. Each category is rated to determine the total score.

In 2021, Stellantis started to roll-out RENATU at its production facilities and the average score obtained was 32.57 points (out of 55 points maximum) with 9.00 points achieved by the lowest scoring plant and 52.88 points by the best scoring plant. Opportunities for improving green areas to attract more biodiversity remain subject to plant specific situations.

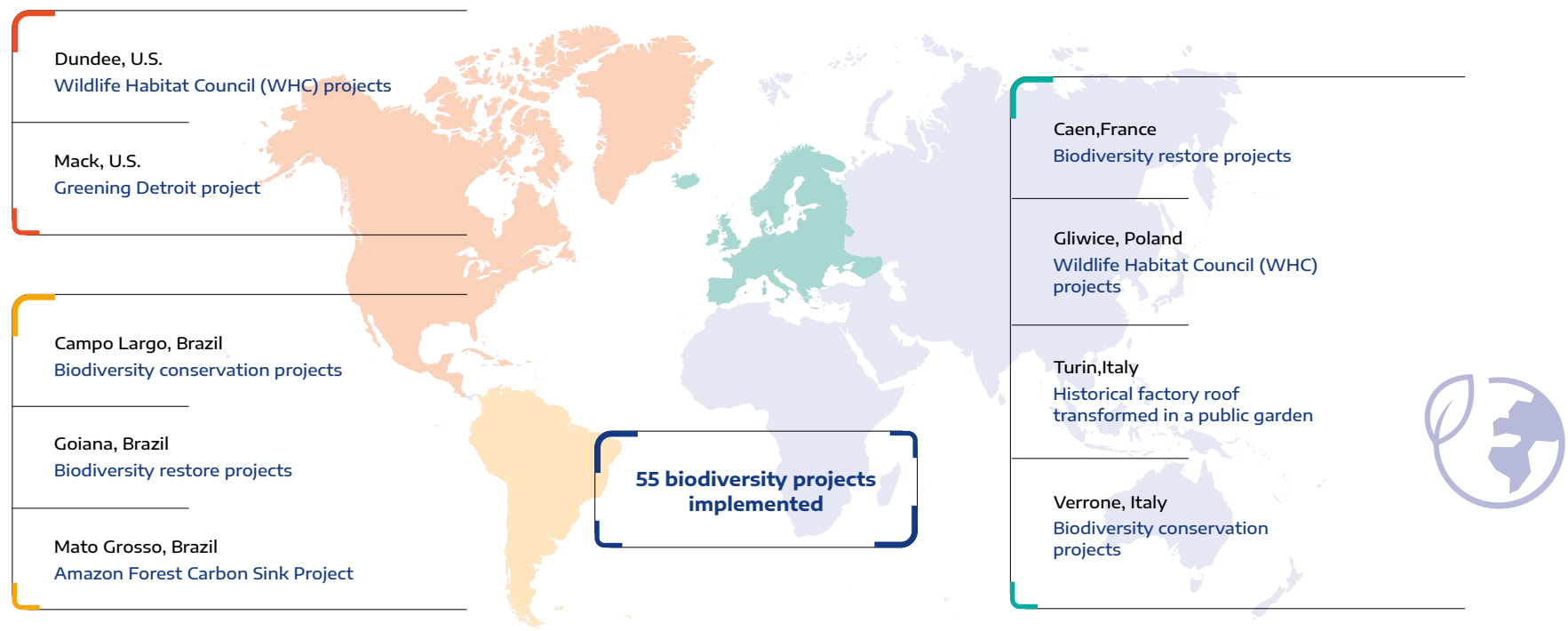
However, by evaluating the undeveloped areas within the plant, the main purpose for using RENATU is to raise awareness for biodiversity issues on site, to enable a simplified assessment and monitoring, and to encourage developing ideas for preserving or improving biodiversity at the green spots of the industrial facilities.

We defined our approach towards biodiversity implemented projects. 26% of Stellantis production facilities has conducted a RENATU evaluation and implemented a biodiversity project- a solid base for growth in the next years.

Most of Stellantis production facilities are located in suburban industrial areas. However, 66 plants are located less than 5 km away from a nature protected area an overview table is provided in [section 6.7.5](#).

We developed biodiversity projects that involve activities such as restoration, conservation or monitoring measures. To ensure we develop projects meaningful for the environment, we engaged third-party experts who helped us plan, verify or certify our projects. Third-party experts include universities or other scientific research institutes, Non-Governmental Organizations (NGO) engaged in biodiversity or nature protection, professional biodiversity consultants or local regulators.

STELLANTIS BIODIVERSITY PROJECTS



2+ million trees

planted by Stellantis through 2021

Stellantis works with **Wildlife Habitat Council (WHC)** [↘](#) for biodiversity project certification. In 2021, we had about 14 certified sites located in Canada, Germany, Hungary, Poland, Spain and the United States. The Stellantis U.S. headquarters and Technology Center in Michigan (U.S.) was awarded a WHC certified Gold status for its biodiversity program. And there are about 13 certified production facilities three of which are WHC certified Silver.

WINDSOR ASSEMBLY PLANT, CANADA - AWARDED THE WHC IBIS AWARD 2021 [↘](#)

The Ibis Award recognizes - certified Wildlife Habitat Council (WHC) programs that have demonstrated resilience of spirit and advancement of conservation despite lockdowns, quarantines and additional government-mandated regulations.

Since 2009, the Windsor Assembly Plant has hosted educational events, such as tree planting, for Windsor residents. Participants planted 1,500 trees across the property to address the lack of urban tree canopy in the area. During the COVID-19 pandemic the team remained committed to providing socially-distanced environmental education. Some of the additional offerings included tree identification, virtual geocaching and identification of native plants, birds, fish and animals.

While the organizers received submissions from everyone from preschoolers to site employees, most of the participants were secondary school students. The teens could use the activities to fulfill community service hours required for graduation, during a time when pandemic-related closures made finding volunteer work difficult. Extra credit was given to students who participated in habitat enhancement work, such as planting native wildflowers or trees, and submitted proof to the organizers.

6.7.4.1 Initiatives to support and restore biodiversity

GRI 304-3

In 2021, we had 55 biodiversity projects implemented. The following summaries represent examples of Stellantis biodiversity projects:

Wildlife Habitat Council (WHC) projects:

- the vehicle manufacturing plant located in Gliwice (Poland) has contributed to the restoration of the river Dąbrowa by planting native trees along the stream and doing maintenance and monitoring of the vegetation and wildlife. On another area of the site, a wildflower meadow was planted for feeding and housing pollinators. Both projects are accompanied by conducting awareness training for employees on biodiversity and ecology and are certified by the Wildlife Habitat Council (WHC).
- Our engine plant in Dundee (U.S.) is completing an invasive species project. It has been eliminating invasive and harmful flora such as phragmites, Canadian thistle and any cottonwoods trees that grow into the prairie grass. The project was submitted to the Wildlife Habitat Council in 2021 and the plant is certified silver.

Biodiversity restore projects:

- the components plant in Caen (France), began in 2021 its biodiversity program. There was a change in green space management, with around 50% of the vegetated area mowed only once a year to promote local wild flora and pollinators. To monitor the impact, existing plant species were inventoried and 45 of these species could be added to the regional biodiversity atlases. This was the first of several projects that are being developed locally accompanied by the Permanent Center for the Environmental Initiatives (CPIE [↘](#)) of Vallée de l'Orne. With the support of the Norman Mammalogical Group (GMN), we have detected protected mammals such as the common bat and the European hedgehog on our site. As a result, bat boxes were installed and the site has been designated as a bat refuge since September 2021. In another area, around 1,000 m² of sealed surface was set back to increase surface permeability and the area was prepared for the creation of a small forest and a rain garden.
- The biodiversity project at our assembly plant in Goiana (Brazil) aims to conserve part of the Atlantic Forest biome in Pernambuco state involving Stellantis employees and their families, partners and the local community. The project emerged from

collaboration with researchers from the Federal University and the Federal Rural University of Pernambuco who conducted field studies and surveys of flora and fauna. To support the conservation of local biome, the plant complex decided to plant only native species on its premises. Since the beginning of the project in 2014, we planted more than 100 thousand seedlings of around 300 different species of which 27 are endangered species. The seedlings are produced in our nursery located at the site and is operated with the help of [Só Mudanças Nativas](#) (Only Native Seedlings). Besides the production and planting of seedlings at ecological islands in the vicinity of the plant, employees were invited to the nursery to learn about biodiversity concepts and plants on [UN World Environment Day](#). We donated seedlings to nearby cities and NGOs for their forestation projects.

Biodiversity conservation projects:

- At our plant located in Verrone (Italy) a part of our premises is a natural protected area covered with woodland that provides nesting conditions for birds. The authority of the nearby Lama del Sesia natural park visits our site each season to monitor the number of nesting herons. The plant worked with the natural park authority to keep favorable conditions for the protected birds by maintaining the vegetation and the accesses to the nesting areas.
- At our engine plant in Campo Largo (Brazil) we implemented a project that aims to preserve the Araucaria Forest located on our site and to raise awareness of biodiversity for employees, the surrounding communities and, children. The Araucaria Forest belongs to the Atlantic Forest Biome and is shrinking due to agricultural land usage to feed the growing cities. The project started with an expert survey of the flora and fauna conducted by Sociedade de Pesquisa em Vida Selvagem e Educação Ambiental (Society for Wildlife Research and Environmental Education) and advised on maintenance and monitoring activities. The environmental education activities for school students of neighboring communities are conducted by “Stellantis Trail Guides”, volunteers trained to welcome visitors at the “Forest House” and guide them. The Araucaria Trail is a path of about 2 km within the conservation area. Along this path educational points are placed to explain the ecosystem.

Greening Detroit project:

- Stellantis gave an overall commitment to revive the tree canopy of the east side of Detroit close to our vehicle assembly plant Mack (U.S.) by planting 1,100 new

trees. Urban tree canopies provide numerous benefits to communities and to the environment. They reduce air pollution and summer peak temperatures, provide wildlife habitats and neighborhood beautification, which can increase property values and improve social ties among neighbors and within the community. Over 400 trees were planted onsite. Stellantis has partnered with [The Greening of Detroit](#) to offer free street trees to residents within the immediate neighborhood. In 2021, we started by planting the first 160 trees and working together with residents and community organizations to identify street tree sites. The trees include native species such as hackberry, redbud, sweetgum and zelkova. These species support local wildlife and pollinators, provide natural air filtration, reduce storm water runoff, energy usage and improve community well-being.

AMAZON FOREST CARBON SINK PROJECT



The Peugeot brand, in partnership with the France National Forestry Office (ONF), is contributing to the **PEUGEOT-ONF forest carbon sink project** in Mato Grosso, Brazil since 1998. The project involves reforesting areas of degraded land and restoring biodiversity while studying the relationship between reforestation and the absorption of atmospheric carbon dioxide. The total amount of carbon sequestered by biomass and soil was estimated to be more than 645,000 tons of CO₂ equivalent according to the measurement methods of the Verified Carbon Standard (VCS). The VCU are sold under the VCS protocol and revenues are systematically reinvested in the project. Two million trees including more than 50 native species, were reintroduced in a plantation of nearly 2,000 hectares. At the heart of the project, an area of 1,800 hectares of virgin forest with high biodiversity value has been devoted to scientific research and placed under the status of “Reserva de Patrimônio Natural (RPPN) since 2009. More than 20 new global species were discovered, among them a fish named “Hyphessobrycon peugeotii” and a beetle called “Hansreia peugeotii”.

Historical factory roof transformed in a public garden

The Fiat brand has transformed its historical test track on the roof of its former Lingotto factory in Turin into a hanging garden. A formerly inaccessible test track has become, in the words of Olivier François - CEO of the Fiat brand - “the largest roof garden in Europe”. More than 40,000 plants now cover an area of 2.7 hectares of the roof of the historic factory, the size of three football fields. The old track, where Fiat cars were tested as soon as they came off the assembly lines, will now be reserved exclusively for electric vehicles, bicycles and scooters.

6.7.5 DETAILED KEY PERFORMANCE INDICATORS

GRI 304-1 GRI 304-2 GRI 304-3

6.7.5.1 Plants located within or near (< 5 km) a natural protected area in 2021

Region	Plant	Plant activity	Surface occupied (m ²)	Type of natural protected area
Enlarged Europe - France	Charleville	Foundry	195,078	Natural Protected Area according to State or Federal legislation
	Hordain	Car Plant	654,824	Natural Protected Area according to State or Federal legislation
	Metz	Powertrain Plant	233,428	Natural Protected Area according to State or Federal legislation
	Mulhouse	Car Plant	2,113,096	Natura 2000
	Rennes	Car Plant	830,307	Natural Protected Area according to State or Federal legislation
	Sept Fons	Foundry	97,868	Natura 2000
	Sochaux	Car Plant	1,956,100	IUCN Category IV Habitat/Species Management Area
	Trémery	Powertrain Plant	561,819	Natural Protected Area according to State or Federal legislation
	Valenciennes	Powertrain Plant	311,808	IUCN Category V Protected Landscape/ Seascape
	Vesoul	Powertrain Plant	932,920	IUCN Category Ia Strict Nature Reserve IUCN Category IV Habitat/Species Management Area Natura 2000
Enlarged Europe - Italy	Atessa	Car Plant	1,001,930	Natura 2000
	Grugliasco Avvocato Giovanni Agnelli	Car Plant	184,000	Natural Protected Area according to State or Federal legislation
	Grugliasco Mould Shop	Component Plant	6,594	Natural Protected Area according to State or Federal legislation
	Melfi Plant	Car Plant	1,811,183	Natural Protected Area according to State or Federal legislation
	Melfi Press Shop Plant	Component Plant	40,227	Natural Protected Area according to State or Federal legislation
	PCMA Venaria Reale	Component Plant	5,460	IUCN Category II National Park
	PCMA Venaria Reale SBH	Component Plant	18,123	IUCN Category II National Park
	Termoli	Powertrain Plant	263,128	Natura 2000
	Torino Mirafiori Plant	Car Plant	971,800	Natura 2000
	Torino Mirafiori PWT	Powertrain Plant	11,304	IUCN Category V Protected Landscape/ Seascape
	Torino Mirafiori Press Shop Plant	Component Plant	213,131	Natura 2000
Verrone	Powertrain Plant	100,300	Natura 2000	

Region	Plant	Plant activity	Surface occupied (m ²)	Type of natural protected area
Enlarged Europe - Poland	Bielsko Biala	Powertrain Plant	89,500	Natura 2000
	Teksid Iron Poland	Foundry	85,000	Natura 2000
Enlarged Europe - Others	Aspern	Powertrain Plant	191,166	IUCN Category IV Habitat/Species Management Area
	Eisenach	Car Plant	261,859	Natura 2000
	Ellesmere Port	Car Plant	816,298	Natura 2000, Natural Protected Area according to State or Federal legislation, RAMSAR Site (Convention on Wetlands)
	Kaiserslautern	Component Plant	607,601	IUCN Category IV Habitat/Species Management Area, IUCN Category V Protected Landscape/ Seascape, Natura 2000, Natural Protected Area according to State or Federal legislation
	Luton IBC	Car Plant	210,432	Natural Protected Area according to State or Federal legislation
	Mangualde	Car Plant	94,587	Natural Protected Area according to State or Federal legislation
	Ruesselsheim	Car Plant	1,916,523	Natura 2000 Natural Protected Area according to State or Federal legislation
	Szentgotthárd	Powertrain Plant	205,822	Natura 2000, RAMSAR Site (Convention on Wetlands)
	Trnava	Car Plant	807,470	Natura 2000
	Tychy	Powertrain Plant	118,326	Natura 2000, Natural Protected Area according to State or Federal legislation.
	Zaragoza	Car Plant	1,176,604	IUCN Category IV Habitat/Species Management Area Natura 2000

Region	Plant	Plant activity	Surface occupied (m ²)	Type of natural protected area
North America - U.S.	Autodie	Car Plant	53,615	Natural Protected Area according to State or Federal legislation
	Belvidere Assembly Plant	Car Plant	922,000	Natural Protected Area according to State or Federal legislation
	Detroit Assembly Complex Jefferson	Car Plant	733,000	Natural Protected Area according to State or Federal legislation
	Detroit Assembly Complex Mack	Car Plant	676,338	Natural Protected Area according to State or Federal legislation
	Dundee Engine Plant	Powertrain Plant	228,000	Natural Protected Area according to State or Federal legislation
	Indiana Transmission Plant	Powertrain Plant	709,371	Natural Protected Area according to State or Federal legislation
	Kokomo Casting Plant	Foundry	385,820	Natural Protected Area according to State or Federal legislation
	Kokomo Transmission Plant	Powertrain Plant	397,000	Natural Protected Area according to State or Federal legislation
	Sterling Heights Assembly Plant	Car Plant	1,141,000	Natural Protected Area according to State or Federal legislation
	Sterling Stamping Plant	Car Plant	650,000	Natural Protected Area according to State or Federal legislation
	Tipton Transmission Plant	Powertrain	124,500	Natural Protected Area according to State or Federal legislation
	Toledo Assembly Complex	Car Plant	991,000	Natural Protected Area according to State or Federal legislation
	Trenton Engine Complex	Powertrain Plant	320,000	IUCN Category IV Habitat/Species Management Area
	Strathroy Vari-Form Plant	Component Plant	51,000	Natural Protected Area according to State or Federal legislation
North America - Canada	Brampton Assembly Plant	Car Plant	470,000	Natural Protected Area according to State or Federal legislation
	Cpk Belleville Manufacturing Plant	Car Plant	6,200	Natural Protected Area according to State or Federal legislation
	Cpk Guelph Manufacturing Plant	Component Plant	49,215	Natural Protected Area according to State or Federal legislation
	Cpk Port Hope Manufacturing Plant	Component Plant	43,531	Natural Protected Area according to State or Federal legislation
	Etobicoke Casting Plant	Foundry	69,600	Natural Protected Area according to State or Federal legislation
	Windsor Assembly Plant	Car Plant	719,000	Natural Protected Area according to State or Federal legislation

Region	Plant	Plant activity	Surface occupied (m ²)	Type of natural protected area
South America	Betim Assembly Plant	Car Plant	2,124,464	Natural Protected Area according to State or Federal legislation
	Betim PWT Plant	Powertrain	121,481	Natural Protected Area according to State or Federal legislation
	Campo Largo	Powertrain	1,245,700	Natural Protected Area according to State or Federal legislation
	CMA Goiana	Component Plant	32,000	IUCN Category VI Protected area with sustainable use of natural resources
	CMP Contagem	Component Plant	67,267	Natural Protected Area according to State or Federal legislation
	Goiana Assembly Plant	Car Plant	369,550	IUCN Category VI Protected area with sustainable use of natural resources
	Jaboatão	Component Plant	191,232	IUCN Category Ia Strict Nature Reserve
	Palomar	Car Plant	619,074	IUCN Category IV Habitat/Species Management Area
	Porto Real	Car Plant	1,162,135	Natural Protected Area according to State or Federal legislation
China and India & Asia Pacific	Hosur	Powertrain	48,310	IUCN Category IV Habitat/Species Management Area
	Thiruvallur	Car Plant	98,874	RAMSAR Site (Convention on Wetlands)

6.7.5.2 RENATU evaluation and biodiversity projects in 2021

Geographical Area	Average RENATU score (maximum score is 55 points)	Number of biodiversity projects	Plants with RENATU evaluation and biodiversity project
Enlarged Europe	34.44	26	24%
North America	29.26	26	41%
South America	30.83	3	25%
Middle East & Africa	19.62	-	
China and India & Asia Pacific	28.92	-	
Total	32.57	55	26%

7

ENSURING PROTECTION OF HUMAN RIGHTS AND SUPPORTING A BALANCED ECONOMIC DEVELOPMENT OF TERRITORIES

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STELLANTIS' CSR MACRO-RISK/PILLAR VI. ENSURING PROTECTION OF HUMAN RIGHTS AND SUPPORTING A BALANCED ECONOMIC DEVELOPMENT OF TERRITORIES

The automotive industry relies on global complex supply chains. This results in challenges for companies that have established ethical and social standards to ensure that their principles are respected at all stages of the supply chain. Conducting our business with sustainable business practices is a core value at Stellantis. We are firmly committed to act in a socially responsible manner and in line with sustainable practices within Stellantis and at each level of the supply base that include; ensuring the health and safety of its workforce, prohibiting human rights violations such as child labor and forced labor, and complying with conflict minerals and environmental protection regulations. We encourage the adoption and sharing of sustainable practices among our business partners and suppliers at all levels in the supply chain.

Building strong responsible supply chains is an important focus for Stellantis. We use assessment tools that focus on topics such as the environment, labor and human rights, ethics and sustainable procurement. This approach helps develop opportunities within the supplier organizations while minimizing risk and potential

reputational damage in the event of a failure in the supply chain. Stellantis monitors compliance with its Code of Conduct and the respect for human rights by its partners and subcontractors and by requiring contractual commitments and ongoing evaluations.

Stellantis pays particular attention to redistributing the value created for the benefit of the local communities where the Company operates. We achieve these goals by providing employment opportunities and through our philanthropic actions. Supplier localization is an important strategy. When suppliers are close to Stellantis manufacturing locations it supports the local community and reduces the risk of supply disruption.

7.1 RESPONSIBLE PURCHASING PRACTICES (INCLUDING LOCAL SOURCING DEVELOPMENT) TO SUPPORT THE COMPANY'S DEVELOPMENT IN HOST TERRITORIES



7.1.1 CONTEXT AND STELLANTIS POSITION

GRI 102-13 | GRI 103-1

CSR ISSUE/CHALLENGE #20: Responsible purchasing practices (including local sourcing development) to support the company's development in host territories

In order to support the Company's increasing internationalization and to reduce inequality in terms of economic development in host communities, it is crucial to boost local production close to final markets. Stellantis implements optimization measures such as: identifying local suppliers, supporting them in

gaining necessary skills and we encourage current suppliers to relocate closer to our facilities to be aligned to our long-term strategic plans for globalization. This strategy has potential financial implications as it reduces inbound logistics costs, limits customs duties and reduces exposure to exchange rate fluctuations which impact production cost, margins and sales volumes. Reduction of long distance shipping benefits the environment by decreasing CO₂ emissions.

Local sourcing allows us to better understand the expectations of stakeholders. Some of the expectations include technological solutions which fit the context and constraints within the area; taking advantage of operational proximity with partners; helping to achieve technological, logistical, social and environmental progress and benefiting from increased flexibility in the supply chain.

Company's public position

The monitoring of CSR issues related to supply chain management is of high importance to Stellantis. Responsibility for managing the supply chain does not end at the Tier 1 level. Stellantis uses its sphere of influence to promote its sustainable purchasing practices all the way through the supply chain to the very origin and lowest level of our chain. The Company works to ensure the conditions to build and sell vehicles that meet customer expectations in compliance with social, environmental and ethical standards following the OECD Guiding Principles and the International Labor Organization (ILO) rules for human rights such as child labor and forced labor (refer to 7.1.5 and 7.2.5 for further details). Stellantis is a member of the UN Global Compact and also promotes the principles of the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work and the United Nations Convention against Corruption to its suppliers. We acknowledge the necessity to comply with rules for the responsible

sourcing of materials, such as in the global battery value chain. Through the efforts of all companies the responsibilities are shared through our extended supply network. To make sure that our principles are duly met, we conduct targeted audits where risks are identified. We are vigilant with the implementation of measures within our sphere of influence. All these goals, practices and responsibilities are globally common in all our locations and countries we operate in and for all suppliers within our worldwide network that we deal with.

Involvement in host communities

The Company helps to set a context that is favorable to the development of the automotive industry including manufacturers, suppliers and equipment manufacturers in host communities. Working both internationally and locally, the Company is a stakeholder in initiatives to improve the automotive industry profile. A few examples of the work we do are: membership with the Responsible Minerals Initiative (RMI) which provides cross-sector engagement in responsible mineral sourcing, and in France, we are working in coordination with the Automotive Platform (PFA) to define and implement strategies for innovation, employment and skills. Stellantis also contributes revitalization funds to support the development of companies of the future.

In order to maintain the competitiveness of Stellantis sites, it is key to be able to complement local sourcing with competitive imported materials, while maintaining an environmental and social level playing field.

7.1.2 FORWARD-LOOKING VISION AND TARGETS

GRI 103-1

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #20</p> <p>Responsible purchasing practices (including local sourcing development) to support the company's development in host territories</p> <p>Owner Chief Purchasing and Supply Chain Officer</p> <p>>>></p>	<p>Ensure selection of suppliers based on quality, competitiveness, and social, ethical and environmental standards, hence supporting responsible economic development in host territories.</p>	<p>% Annual Purchase Value (APV) purchased from Tier 1 suppliers evaluated on CSR</p>	<p>2025: 90% Target to be established by the Board of Directors</p>	<p>2030: 95% of APV of direct material (parts) 75% of APV of indirect material</p>	<p>2050: Maintain 95% of APV for direct material 90% APV for indirect material</p>	<p>More than 83% by 2 providers (NQC and Ecovadis)</p>
		<p>Average CSR scores of Stellantis Tier-1 Suppliers assessed by independent third-party vs average CSR scores of all companies assessed by third party</p>	<p>2025: 15% Target to be established by the Board of Directors</p>	<p>2030: keep a positive gap of 15%</p>	<p>2050: keep a positive gap of 15%</p>	<p>16.2%</p>

7.1.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15 GRI 103-2

Suppliers as key participants in the value-creation chain

GRI 102-9 GRI 102-10

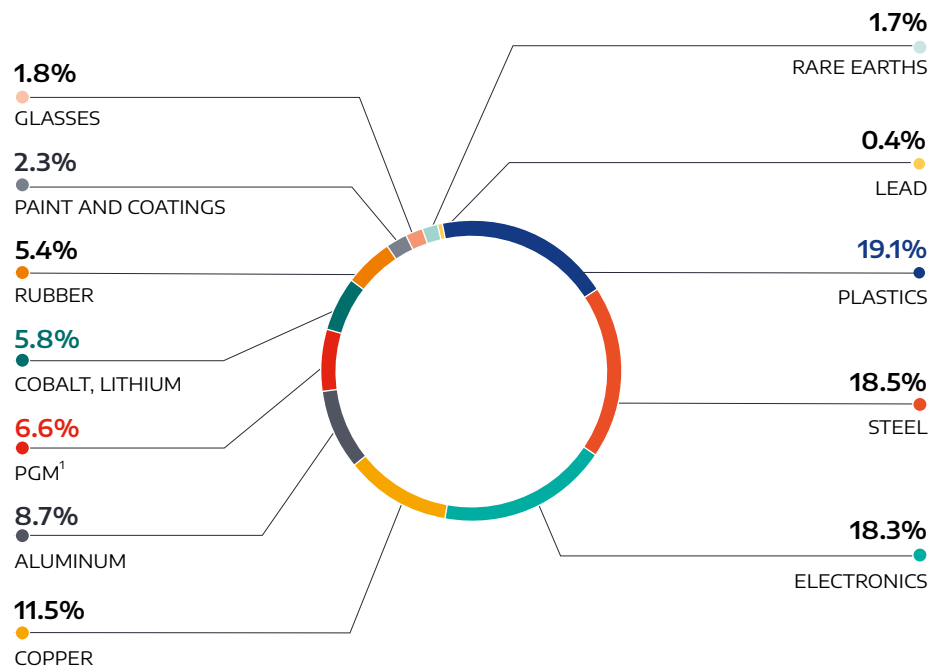
Responsibility for managing the supply network rests upon each participant of the supply chain. Stellantis aims to generate direct and indirect income and employment opportunities for the communities where the business is located. Faced with growing inequality in the economic development of the regions, it is vital to focus on redistributing the value created by the companies in the local communities in which they operate. We have the opportunity to strengthen our reputation in the territories and markets we operate in, as well as among civil society. When we enhance business opportunities in our host territories we create mutually beneficial situations, which include effects like the reduction of logistics costs and its carbon footprint, as well as employment stability for the area.

Stellantis has a direct contractual relationship with more than 2,000 tier-1 suppliers in direct material. It requires all of them to meet the CSR commitments set out in its Responsible Purchasing Guidelines (for more information, [see section 7.2.5 >](#)).

2021 KEY SUPPLY CHAIN FIGURES

 <p>TIER 1 SUPPLIERS >2,000</p>	 <p>NUMBER OF COUNTRIES OF OUR SUPPLY BASE >60</p>	 <p>VALUE OF PURCHASES WORLDWIDE > € 82 Bn</p>
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Raw Material impact in % per APV Purchased globally



¹Platinum Group Metals

The Stellantis supply chain has two main distinguishing features:

- it is complex and involves a large number of different participants, starting from receiving a customer order which begins the engagement with our suppliers for materials, goods and services, up to the delivery to our customers world wide;
- it must handle a wide diversity of possible combinations, and relies on its ability to successfully supply thousands of component combinations, which relies on successful supplier operations.

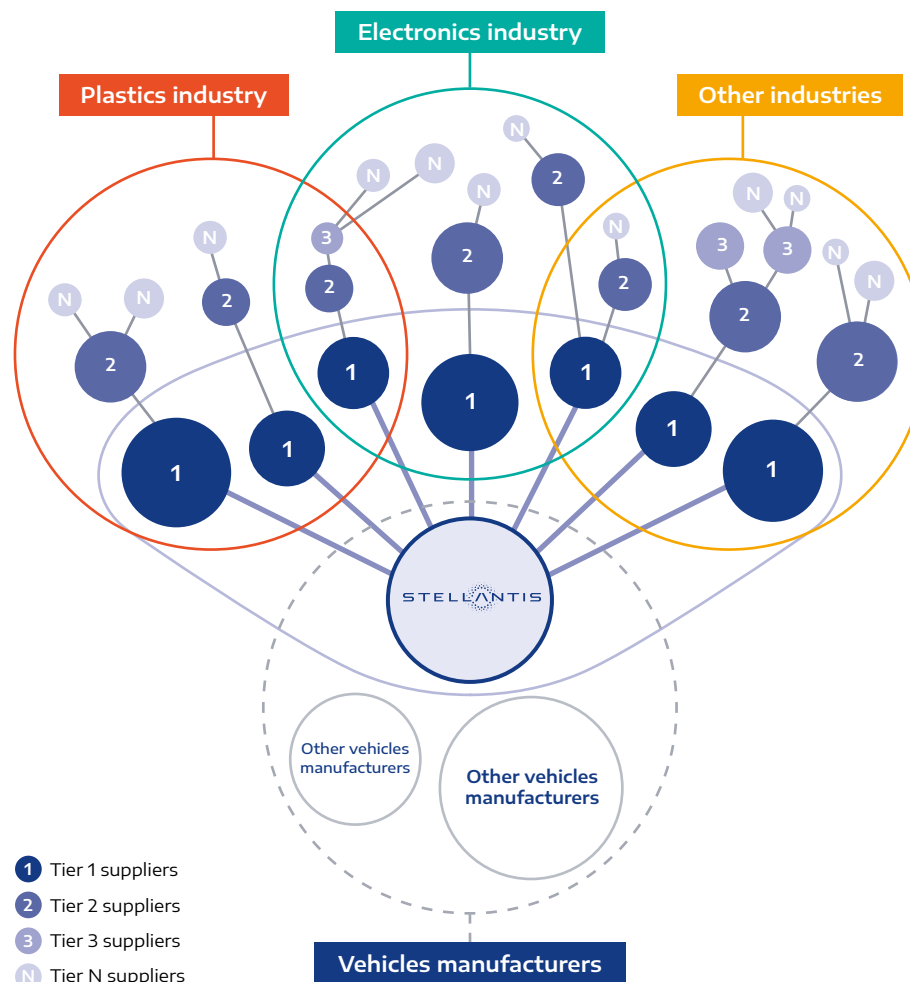
IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



Electrification relies on raw materials necessary to produce battery components. Stellantis' Responsible Purchasing Guidelines integrates requirements regarding materials such as cobalt, where battery suppliers have strict obligations to disclose their raw material suppliers. Stellantis annually maps the sourcing of materials that are essential to electric vehicle battery manufacturing and is a member of the RMI to improve risk-identification in its supply chain. Due diligence is specifically conducted in the cobalt and lithium supply chains in partnership with RCS Global, which conducted 40 external on-site audits on critical suppliers in 2021.

Furthermore, in order to secure the supply of critical materials needed to produce low-emission vehicles, Stellantis has reinforced its lithium supply with direct sourcing in Europe and North America. This local sourcing initiative will facilitate due diligence and supply chain mapping regarding lithium (See 2.7.3 >>).

SPHERE OF INFLUENCE IN OUR SUPPLY CHAIN



- 1 Tier 1 suppliers
- 2 Tier 2 suppliers
- 3 Tier 3 suppliers
- N Tier N suppliers

- Contractual relationships between Stellantis and its tier 1 suppliers
- - Sphere of influence of Stellantis in its supply chain
- Contractual relationships between Stellantis's tier 1 suppliers and their own supply chain

Risk #1	Complexity of extended supply chains
Risk Description	<p>Stellantis seeks to produce vehicles that are attractive to our global customers based on their diverse values and preferences. Creating vehicles that delight the customer requires working with a complex and extended supply chain.</p> <p>We might face the risk of not being able to procure what we need because of concerns regarding human rights violations, market tensions, geopolitical disruptions, natural disasters and availability of natural resources, among others. The expectations for treatment of people needs to be clear for all levels of the extended supply network. For more information related to human rights in the supply chain refer to section 7.2. Some countries have requirements for local sourcing content and Stellantis must address this factor and the issues that may arise. Regulatory requirements can change suddenly and become inconsistent from one region to another. Financial risk for each entity in the supply chain is important to consider. Complex supply chains often require a higher degree of coordination taking into account dependencies between supply chain entities and can be vulnerable to disruption due to the many inputs. One additional risk is the shortage of important raw materials and/or local and global pandemic shutdowns that prevent actors at any level of the supply chain to produce goods and services as requested.</p> <p>Negative impacts are caused by interruptions to the flow of material, whether raw material, parts or services. Failure to apply appropriate supply chain management can have long lasting effects. An approach based on continuous risk assessment with the objective of reducing exposure to risk and improving performance is an important strategy. Stellantis aims to secure its global supply and avoid costly downtime in global production plants.</p> <p>Potential Impact</p> <ul style="list-style-type: none"> ▪ Increased environmental impact for CO₂ emissions due to the distance traveled to provide the goods or services refer to section 2.7; ▪ Human Rights violations in the extended supply network, especially in sub-tier sourcing refer to section 7.2; ▪ disruption of the supply chain due to the <ul style="list-style-type: none"> • failure or loss of suppliers; • raw material shortage both locally and global; • pandemic shutdowns or lower tier supplier disruptions; ▪ difficulty in accessing local skills among suppliers; ▪ poor quality due to multiple points of input; ▪ risk of counterfeiting and misuse of intellectual property could increase with many layers of sub-suppliers; ▪ risk of losing parts interchangeability (increased diversity).
Mitigation Strategy	<p>Identify</p> <ul style="list-style-type: none"> ▪ Code of Conduct and Responsible Sourcing policy ▪ supplier CSR assessments reviewed during sourcing ▪ Supply Chain CSR Risk profiling via annual risk mapping activities. <p>Monitor</p> <ul style="list-style-type: none"> ▪ Increase transparency of relationships throughout the extended supply network by partnering with service providers for supply chain mapping (RCS Global + battery suppliers or CMRT process, CDP and SGS) ▪ world wide monitoring for Stellantis Tier 1, some sub-tier for specific topics ▪ supplier CSR assessments updated per specified frequency <p>Manage</p> <ul style="list-style-type: none"> ▪ Audit activities to confirm compliance and discover areas for development and improved performance via an action plan
Additional Opportunities	<ul style="list-style-type: none"> ▪ Auto industry knowledge/resources/tools development via associations (RMI, DS, AIAG, etc) ▪ Supplier training events ▪ Collaborative innovation with different levels within the extended supply chain ▪ Optimization; process, development, schedule, industrial capacity

Risk #2	Environmental impacts from operations and natural disasters within the supply chain
Risk Description	<p>Inequality in economic development can cause problems with creating long term relationships within host territories with our stakeholders and specifically with suppliers. It is beneficial to boost local production in order to support our increasing internationalization plans. When our suppliers are located close to our operations it drives more efficient supply and helps to minimize environmental concerns, while providing improved economic opportunities for the entire community.</p> <p>Potential Impact</p> <ul style="list-style-type: none"> When suppliers are positioned close to our operations we may avoid additional costs related to; logistics, customs duties, carbon tax penalties, exposure to exchange rate fluctuations, while also benefiting from initiatives to drive local economy development; failure to develop host territories could hinder Stellantis’s efforts to reduce scope 3 CO₂ emissions from suppliers (refer to section 2); skeptical public opinion can occur regarding the redistribution of generated wealth if development of host territories is lacking
Mitigation Strategy	<p>Implementing measures in two separate areas:</p> <ul style="list-style-type: none"> Identification of local suppliers and assisting them to gain the needed skills and operational capacity Encourage our existing suppliers to relocate to clusters near to its facilities <p>By implementing these measures we are able to gain operational proximity which supports progress in technology, CSR and logistics. We also improve supply chain flexibility and reduce supply chain risk. By enhancing control of tier-n suppliers it is possible to take account of the supply risks inherent in the multi-layered subcontracting chain.</p>
Additional Opportunities	<ul style="list-style-type: none"> Reduce inbound logistics elements such as costs, CO₂ emissions and time to deliver products and services to our operations Better knowledge of local operating methods and in the local stakeholder expectations Focusing on local supplier development can support suppliers becoming more competitive and could drive the ability to access more international organizations in the future Strengthen brand recognition and potentially increase sales of our products
Risk #3	Inequality of economic development in host territories
Risk Description	<p>It is necessary to develop supply chains that are sustainable and can successfully manage multiple environmental impacts; such as those related to their own operations, physical damage from natural disasters or supply shortages. For activities related to supplier operations, starting from raw materials through to the production of goods and services, environmental impacts need to be appropriately addressed with robust standard operating procedures. The risk for supply disruption and reputational damage can occur if sufficient attention to an issue is lacking. Evaluating the impact of procuring and transporting the products, goods and materials through the supply chain (from the purchase of raw materials to network distribution) is essential to manage consumer expectations and the risks posed from the increasing number, scope and ambition of regulatory requirements.</p> <p>Potential Impact</p> <ul style="list-style-type: none"> ecosystem degradation (refer to 6.1.3), i.e. deforestation and mining; climate change (refer to 2.3.1.2); exposure to eco-taxes levied on transport, as well as fossil energy price fluctuations localized pollution impacts such as water, air and sound e.g. bauxite mining for aluminum production
Mitigation Strategy	<ul style="list-style-type: none"> optimize transport plans - development of alternate modes of transport (refer to 2.7.3 for more information) ISO 14001 certification of suppliers (via a Sustainability Assessment Questionnaire review) Engage key suppliers with major Annual Purchased Value coverage (61% of direct suppliers) with corporate carbon accounting activities (via CDP in the short term)
Additional Opportunities	<ul style="list-style-type: none"> reduce upstream and downstream delivery times best practice sharing improving transport costs upstream (parts)

7.1.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

The Global Purchasing and Supply Chain department (GPSC) is the interface between Stellantis and its suppliers. The GPSC is responsible for meeting all legal and regulatory requirements under its scope and to require that all suppliers are fully compliant with Company policies to reduce the risk of exposure to the Company. This is its major duty of care toward supplier management across the globe. To support the direction of the GPSC, the Global Purchasing and Supply Chain EVP is a direct report to the CEO, and a member of the Top Executive Team, and as such, a member of the company's strategy council.

The Global Purchasing and Supply Chain department coordinates actions at different levels: centrally, in its international sites and within its various local offices spread globally. To fulfill its role, the GPSC organizes the following priorities by seeking to ensure:

- the competitiveness and responsible procurement of products, equipment and services purchased for the manufacture of Stellantis vehicles and subassemblies by selecting accomplished responsible suppliers able to meet Stellantis' and stakeholder requirements;
- that suppliers provide the Company with innovative, sustainable solutions that can give it a competitive edge by liaising closely with the Automotive Research and Advanced Engineering departments;
- that the Company benefits from the expertise of its suppliers on the best economic terms by continually recommending improvements to quality and costs and seeing that they feed into all phases of the product life cycle;
- the quality and security of supplies by verifying that suppliers intrinsically meet the standards required by the Company in terms of social and environmental responsibility, quality and logistics;
- that a panel of responsible, viable and capable suppliers is established by taking all the necessary actions to support and secure the automotive industry in the best interests of Stellantis.

The Global Purchasing and Supply Chain Department is globally focused while taking local action, as appropriate. To support this it is necessary to work closely with other internal departments such as engineering, logistics, industrial and program teams and in general with all operating entities within Stellantis and its outside stakeholders.

The Stellantis sourcing process includes supplier CSR performance as a critical evaluation factor. If the supplier performance is below the acceptable level a deviation with an action plan to correct issues is required. Governance is in place with monthly Purchasing and Supply Chain Leadership Team Meetings, hosted by the Chief Global Purchasing and Supply Chain Officer to monitor supplier CSR performance during sourcing.

The Global Purchasing and Supply Chain Department focuses on Raw Material management and applies appropriate due diligence using a risk matrix for specific materials. Approximately 25 materials are included in the evaluation, among them, tin, tungsten, tantalum and gold are designated as conflict minerals and of critical importance in this process. Our Conflict Minerals program is managed by regional and subsidiary conflict minerals team members ([refer to 7.2.4 >](#)). A global lead provides overall program management and consolidation direction to ensure that the corporate obligation is fulfilled. Securities and Exchange Commission (SEC) filings are regulatory documents that companies must submit to the SEC on an annual base. The purchasing commodity directors support escalation as needed to reinforce the importance of this legal requirement. The document was filed with SEC in June 2021.

Stellantis has a long history working with the sheltered sector, where most workers are persons with disabilities. Suppliers in the adapted and sheltered sector are meeting the same standards as the Company's other suppliers based on criteria such as quality, responsiveness and financial performance. Since developing this expertise, some sheltered suppliers have marketed their know-how to other customers and business sectors such as rail and aeronautical.

Top supplier business review meetings are conducted annually with the objective to share and align strategies at the highest level of both companies while identifying value creation initiatives for mutual benefit. During the discussions emphasis is placed on social and environmental topics. These meetings can be regional or global depending on the classification and relationship with the supplier and are hosted by purchasing executives.

7.1.5 POLICIES TO EXECUTE THE STRATEGY

GRI 102-43 | GRI 103-2 | GRI 205-2 | GRI 414-1

The Stellantis Code of Conduct has specific language pertaining to Responsible Purchasing and this message is reinforced in internal and external policies.

Customers, Suppliers and Business Partners

Conducting our business with sustainable business practices is a core value at Stellantis. We encourage the adoption and sharing of sustainable practices among our business partners, suppliers and dealers. We are committed to sustainable practices in our procurement activity. The selection of suppliers is based on the quality and competitiveness of their products and services and on their adherence to social, ethical and environmental principles while maintaining high standards of quality and taking care of the communities where we do business.

Whistleblowing

Stellantis reinforces that employees, suppliers, dealers, consumers and other stakeholders can and should report any concerns of alleged situations, events, or actions that may have been inconsistent with the Stellantis Code of Conduct and request advice about the application of the Code.

We are firmly committed to act in a socially responsible manner and in line with sustainable practices within Stellantis and at each level of the supply base that include working to ensure the health and safety of its workforce, prohibiting child labor and forced labor, and complying with conflict minerals and environmental protection regulations (for additional information [refer to 5.1.4.1](#) >).

Responsible Purchasing and Support for the Respect of Human Rights in the Supply Chain

Stellantis promotes the principles of the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work and the United Nations Convention against Corruption to its suppliers.

Stellantis Responsible Purchasing Guidelines

Stellantis follows the due diligence approach advocated by the Organisation for Economic Co-operation and Development (OECD). The Company has set up its Responsible Purchasing Guidelines in compliance with International Labor Organization (ILO) rules for human rights such as child labor and forced labor. In this guideline, the Company encourages its suppliers to be vigilant for CSR risks within their supply chain. The guideline includes a third-party assessment by EcoVadis, of its suppliers based on CSR criteria. Stellantis conducted evaluation activities to compare the benefits of the two leading Sustainability Assessment Questionnaires (SAQ); EcoVadis and Drive Sustainability. The findings reinforced the decision to utilize EcoVadis as the main data source for the Stellantis supply base. This guideline will be available on the Stellantis website.

This policy supports the Company efforts to secure its supply chains and also intends to boost supplier performance, who are called on to introduce CSR policies within their own organization and with their supply and subcontracting chains.

The content of the Responsible Purchasing Guidelines covers:

- compliance with law;
- promotion of and compliance with internationally accepted human rights;
- freedom of association and the effective recognition of the right to collective bargaining;
- elimination of any forms of forced or compulsory labor;
- effective fight against child labor and modern slavery;
- elimination of discrimination in terms of hiring and occupation;
- Anti-corruption measures and the prevention of conflicts of interest;
- compliance with the legal minimum wage;
- working hours not exceeding those set out in national legislation or collective bargaining agreements;
- compliance with health and safety at work;
- implementation of an Environmental Management System such as ISO 14001 certification;

- banning the use of prohibited substances and materials;
- suppliers to obtain CSR commitment from their own suppliers;
- combating the use of minerals originating from areas of conflict;
- storage and use of personal data;
- implementation of an environmental policy for research on green or recycled materials and the reduction of CO₂ emissions;
- protection of animal welfare.

The Stellantis Responsible Purchasing Guidelines requires the suppliers to sign and it serves to:

Boost Innovation

The Company involves its core and strategic suppliers in a disruptive innovation process, which is essential in order to meet commitments on reducing CO₂ emissions, improving air quality and finding more sustainable materials e.g., increased recycled content for use in our products.

Boost Efficiency

The CSR commitments that the Company asks its suppliers to make, enables them to reduce their own operational risks. Suppliers are informed of best practices and regulatory changes and can benchmark themselves by comparing their CSR performance against the industry average. Being aware of opportunities to build on their strengths and implement action plans to work on weaknesses provides suppliers with a path to improvement. Stellantis monitors the progress of the action plans required from suppliers and helps them find solutions to improve their product quality or optimize their processes.

Boost Economic Performance

In view of the demanding supplier selection process, being a strategic or core supplier of Stellantis demonstrates a high-level of economic and CSR performance. Through innovation partnerships with Stellantis, suppliers are developing a competitive edge. This distinguishes them from their competitors when bidding for contracts in other markets. They can create commercial opportunities with customers who, like Stellantis, regard CSR criteria as a key aspect of the supplier selection and listing process. The Company's

suppliers are expected to communicate their own CSR commitment and performance, EcoVadis score, to their customers, stakeholders and in all host regions. Similarly, being chosen to support Stellantis on international projects, companies are boosting their prospects by increasing their presence and competitiveness in new markets.

Boost CSR Performance

The Company's responsible purchasing approach drives attention to validated CSR performance from our suppliers. Our policy is to work with suppliers in a partnership to improve CSR performance overall. These expectations are an integral part of the supplier relationship and require a continuous focus to ensure we apply the needed resources to achieve top ranking status. This approach has created results that have Stellantis supplier CSR performance that is clearly above the EcoVadis benchmark.

Supplier Business Award and Third Party CSR Assessment

Stellantis policy for all sourcing activity to award business to new and existing suppliers requires that CSR performance is systematically taken into consideration and globally reviewed. The goal is to ensure that responsible purchasing practices are in place with our selected suppliers and at an acceptable performance level. We seek to only award business to suppliers that share our values and can maintain required compliance and performance.

Industry Guidance

Supporting the development of the automotive industry is important to help make progress on common topics. Stellantis contributed on the revision of the Automotive Guiding Principles with AIAG and Drive Sustainability. This document seeks to create alignment between automakers to address issues relevant to the industry, and to speak with a unified voice on the importance of a sustainable, ethical supply chain. These documents are updated on a regular basis and work to move the message forward and align with the evolving expectations for the entire supply chain. For example, the upcoming regulations in Germany and the EU are primary new additions to the content that already covers various existing requirements. The automotive industry needs to take on the challenges that are necessary to build the appropriate expectations for all levels of the complex and multi-tiered supply network. Stellantis is committed to being an engaged partner in the development and promotion of these needed guidance materials.

7.1.6 ORGANIZATION AND RESOURCES

GRI 103-2

Responsible Sourcing is primarily a function of the Global Purchasing and Supply Chain (GPSC) department ([refer to 7.1.4 >](#)).

CSR activities are embedded into everyday life within the purchasing processes. Buyers are the primary point of contact for suppliers and required to work towards ensuring that all contractual obligations and expectations, such as the Responsible Purchasing Guidelines, are upheld. They communicate with suppliers to raise awareness on requirements and strive to ensure that supplier CSR performance, assessed by EcoVadis, is at the necessary level for the supplier to be considered in sourcing opportunities. EcoVadis assessments are required to be renewed annually and suppliers are subject to onsite audits from recognized assessment bodies based on risk assessments.

Supplier discussions are critical for alignment and driving results. Annual Supplier Business Review meetings are designed to address many factors that include CSR topics. A designated program lead manages the overall process and official documentation. The supplier discussion is supported by a member of top management, at a minimum the head of the division, and the buyer.

Experts are designated at various levels within the business units, including:

- GPSC Champion is a senior executive who is responsible for considering CSR issues/ challenges in the decision-making process;
- CSR Correspondents are responsible for the reliable disclosure of qualitative and quantitative data within their scope;
- Regional Contributors are the local contacts that provide the specific regional elements as required.

We collaborate and participate with stakeholders to address common and specific issues. We focus on developing and implementing solutions that drive efficiencies and build common industry tools. Often the actions needed from suppliers are common within the automotive industry and can be leveraged. Some of the collaboration areas include:

- Internal departments such as engineering, logistics, industrial and program teams;

- External stakeholders such as suppliers, OEMs and industry associations such as AIAG and VDA;
- Service providers such as CDP and EcoVadis.

For more information on the achievements [refer to 7.1.7 >](#).

Purchasing CSR Resources Matrix

Resources and Tools	Responsible Sourcing	Human Rights in the Supply Chain	Climate Change - Carbon accounting
Supplier Business Review meetings	✓	✓	✓
Drive Sustainability	✓	✓	✓
CSR assessment, CMR, CRT, NQC subgroup, Ecovadis	✓	✓	
RMI	✓	✓	
Automotive Industry Associations ACEA, AIAG, ANFIA, PFA, VDA	✓	✓	✓
CDP	✓		✓
SGS Social Audits	✓	✓	
RCS Global battery suppliers - supply chain transparency		✓	
Conflict Minerals Program, Collaboration with Assent and NQC	✓	✓	

7.1.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 103-3

Stellantis has many initiatives that focus on responsible purchasing practices to support the Company's development in host territories. The activities are designed to support local sourcing development while providing measures that mitigate risks from suppliers and subcontractors.

The Responsible Purchasing Guidelines addresses topics focused on; compliance with laws, regulations, social and ethical principles, environmental protection and sustainable procurement including training and support for small and local suppliers. Stellantis requests supplier signatures and ensure that they are aware of the expectations necessary to maintain the status of a Stellantis supplier. Suppliers are critical links in the chain of responsibility.

Identifying CSR risks in the supply chain

Stellantis uses risk analysis (mapping) to identify and prioritize actual or potential CSR incidents in the supply chain such as environmental, social and ethical topics.

Where risk is identified, Stellantis has a prevention system to implement and monitor specific action plans with involved suppliers to prevent or mitigate any impact to the supply chain. If there is an impact, Stellantis takes necessary actions to solve it.

The Company is transparent about the measures taken and the results obtained which are published annually in our CSR report.

Risk mapping

We have opted to identify CSR risk by commodity for both direct and indirect material purchases. The methodology used is built and incorporates third-party assessment ratings, such as EcoVadis Rating Framework:

- CSR risk profiles on internal commodities were developed;
- CSR risk profiles by country based on the EcoVadis list that includes 207 categories for 175 countries were developed;
- supplier CSR performance assessments were entered in the EcoVadis database (currently more than 88,500 suppliers assessed, an increase of approximately 13,500 suppliers since last year);
- collection of additional information from sources including unions, NGOs, media or data-collection specialists available for review.

Critical suppliers are a tier 1/tier N supplier who could cause production stoppages at Stellantis plants or delay the sales launch of new vehicles. There are five categories of high-risk suppliers:

- suppliers who are the only source of a product;
- suppliers for whom Stellantis purchases represent over 30% of their annual revenue;
- suppliers who are financially stressed;
- suppliers whose failure to adhere to the Stellantis' CSR policy could damage the Company's reputation. These suppliers might cause a substantial negative impact on the environment, employment, human rights or society (particularly through unethical conduct);
- suppliers who are located in high risk geographical areas

For 2021, about 28% of the tier 1 suppliers by number are considered as critical. Monitoring, mitigation and action plans are developed for these suppliers to implement a strategy customized for each case to protect Stellantis.

COMPANY TRANSFORMATION THROUGH THE SOFTWARE STRATEGY



Strategic partnerships with leading companies continue to drive innovation, efficiency and shared know-how with Stellantis experts.

As an example, the new non-binding memorandum of understanding signed with Foxconn aims at developing four families of chips that will cover over 80% of the Company's micro-controllers' needs, helping to greatly simplify the supply chain. Adoption and installation of products into Stellantis vehicles is targeted by 2024.

To provide a more robust and stable supply of parts related to semi-conductors, Stellantis has been developing internal plans to address the major impact from supply disruptions experienced in the last few years. Stellantis has developed a task force to focus on the immediate need to resolve the chip shortages. This task force included Tier-1, as well as targeted sub-tier, suppliers. The outcome has provided an opportunity to develop a direct relationship with chip suppliers, which brings a more integrated view to the needs of Stellantis in the extended supply chain, where competition for scarce materials is high. These actions are meant to lower the risk for this commodity.

Focus on raw material risks: a material risk mapping is regularly reviewed and updated in terms of the criticality of materials with specific characteristics, importance for competitiveness, little or no current alternative, potential scarcity due to limited global production or fragile supply chains and questionable CSR conditions e.g., conflict minerals, lithium, cobalt and mica. This mapping is designed to enable us to manage and secure our supply over a long-term period and focus our research and development work on alternative materials. Our policy to seek out new, innovative materials combines with our quest to increase the proportion of renewable and environment-neutral materials in our vehicles. This analysis supports our ability to focus on critical suppliers, such as those included in our battery supply chain for development and management.

Focus on conflict minerals: earnings from mining gold, tin, tantalum and tungsten might be used to finance armed conflict in the Republic of the Congo and surrounding countries. In accordance with required U.S. and EU regulations, Stellantis' policy requires transparency from its suppliers about the origin of any raw materials and minerals they use. For more information [refer to section 7.2.7](#).

Environmental damage: this is damage caused to water, air and soil either as a result of natural disasters or industrial accidents, or due to overexploitation of natural resources. The focus on industrial supplier risks uses a mechanism that enables the buyer to quickly identify the Company's exposure to the risks linked to each supplier production plant, using a matrix which takes into account criteria such as: geographical location (risk of natural disaster), the Company's share in the plant's production, how specific the technology used by the supplier is, how many of the Company's vehicles are affected by production at this plant, etc. This assessment method is used systematically to prepare technical and industrial procurement policies for each product group and each call for tenders. This result is systematically taken into consideration in the supplier selection process globally.

7.1.7.1. Actions to mitigate risks from subcontractors or suppliers

Assessments of the supply chain by recognized assessment bodies

To support the supplier assessment process on CSR criteria and make it more robust, Stellantis has embarked on an assessment of its Tier 1 supply base using criteria related to the environment, workforce, ethics and subcontracting chain. It has outsourced this assessment to an independent external company, EcoVadis. The first step was to identify supplier risks more precisely. Stellantis informed its suppliers that this evaluation was a prerequisite for the placement of future business, and to remain on the supplier panel. Stellantis requires its existing suppliers to be reassessed each year to continuously improve their CSR performance. A corrective action plan is automatically required for suppliers that do not receive a score that meets the standards set by Stellantis.

Audits of suppliers at risk

In addition to the CSR assessment, on-site audits are performed. These audits are conducted for suppliers identified as risky according to three CSR criteria: countries (non-signatory country or country with questionable governance), products (inherently risky, such as promotional items) or processes (manufacturing processes involving hazardous substances).

These social and environmental audits are also managed by an independent external service provider, SGS. An audit checklist is used covering the following topics:

- CSR policy;
- human rights;
- working conditions;
- workplace health and safety;
- environment;
- supplier CSR management system.

These audits provide a snapshot of how the supplier is performing in terms of the Company's reference guide and the local statutes and regulations. The specifications stipulate that local auditors who speak the language of the audited site and who have a thorough knowledge of the applicable local laws, regulations and practices applicable to the site must carry out the audit. The external auditor creates an audit report for each audit. The report describes noncompliances and grades them according to four classifications; critical, core, minor and observations only, each requiring corrective action plans. If no satisfactory solution can be found to a critical or core noncompliance, a disengagement plan may be put in place after consultation with internal individuals affected by the decision. If necessary, an audit may be conducted to verify that action plans were implemented.

Suppliers and their production plants are expected to be IATF 16949-certified. The IATF standard meets the growing expectations of markets and governments in relation to ethical business practices. It also incorporates changes and complexities specific to the automotive sector, such as requirements for onboard software, and strengthening product traceability in accordance with regulatory changes. Stellantis

has added additional specific requirements for this certification. These additions include adherence to the Responsible Purchasing Guidelines and they contain specific CSR advice and actions required by suppliers. IATF conducts audits to ensure compliance with these specific requirements.

Steps taken to prevent risks: governance of the supplier relationship

Supplier briefings are held each month to provide suppliers with CSR updates, communicate the Company's CSR expectations and inform them of legal and regulatory developments in CSR matters. Risk prevention takes place in the day-to-day relationship between buyers and suppliers. Stellantis pays particular attention to supplier training and provides them with tools that enable them to rapidly identify and react to risk situations. Suppliers have access to e-learning on CSR principles to evaluate and improve their CSR performance and how to build robust internal processes supporting CSR .

Training for buyers and suppliers

The supplier training curriculum covers subjects related to purchasing, quality, supply chain management, manufacturing, finance and engineering. There are dedicated classes on sustainability-related topics such as responsible working conditions, environmental impacts, ethics and conflict minerals. The Company's ambition is to train 90% of the suppliers in CSR risks and the Stellantis requirements by 2025.

In 2021 buyer training included 4 training events where more than 220 purchasing professionals attended and will offer additional training as the development of policies and tools are finalized for Stellantis.

7.1.7.2. Monitoring signs of weakness to eliminate the causes of risk

Whistleblowing channels

Stellantis reinforces that employees, suppliers, dealers, consumers and other stakeholders can and shall report any concerns of alleged situations, events, or actions that may have been inconsistent with the Stellantis Code of Conduct and request advice about the application of the Code. ([refer to 5.1.4.1 >](#) for additional information).

Stakeholder feedback

Stellantis receives input from NGOs and actively collaborates with them on a partnership level. For example, we collaborate with selected NGOs on mica and leather programs. Additionally, a partnership with RCS Global, a responsible sourcing advisory and audit firm was established. In early 2020, former Groupe PSA formed a partnership with the RCS Global for a cobalt and lithium supply chain auditing program. Stellantis has expanded the scope to include additional suppliers and raw materials in 2021. (For more information refer to 7.2.7 >). The Company also reviews media and news reports on topics related to NGO findings on raw materials of all kind.

Measures taken if suppliers are found to be noncompliant with CSR requirements

Stellantis has introduced a comprehensive toolkit to measure the social and environmental performance of its suppliers and to identify any shortcomings or risks. The suppliers questioned or audited systematically receive an analysis of their performance. For suppliers who do not achieve the required standard, a corrective action plan is put in place. Suppliers that do not improve or collaborate with Stellantis might ultimately be excluded from the Stellantis's supplier panel.

7.1.7.3. Supplier Risk and Engagement Achievements

GRI 414-1 GRI 414-2

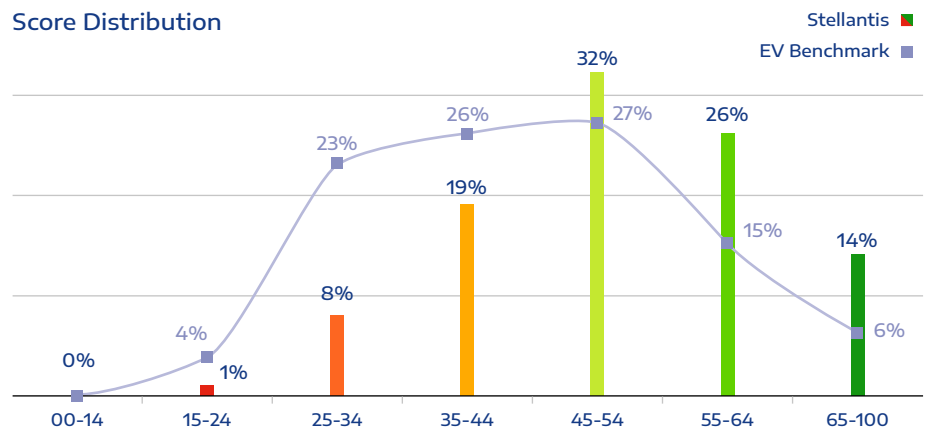
Already in our first year, Stellantis has had many positive results from the actions taken with our suppliers. Our list of achievements provides the details related to the performance of our efforts.

- 93% of suppliers approved during sourcing for CSR compliance.
- More than 2,561 supplier groups were assessed by EcoVadis and NQC, which accounts for more than 83% of the value of direct purchases
 - 71% Overall Supplier Sustainability score which is classified as Good (ratings higher than 45 Points);
 - 464 suppliers with corrective action plans which is 18% of the total assessed suppliers
- 75 external social and environmental on-site audits. Whenever a supplier is identified as noncompliant with the requirements of the Responsible Purchasing

Guidelines, the Company requires the supplier to launch corrective action plans. 70 suppliers are working on corrective action plans which accounts for 93% of the total on-site audited suppliers.

- 40 audits conducted by RCS Global for the battery supply chain from Tier 1 to mine sites;
- 35 SGS for Tier 1 social and environmental audits.
- With the major introduction of battery and hybrid electric vehicles the Purchase Contract has specific additional expectations that apply to battery suppliers in terms of due diligence and transparency to comply with the latest requirements regarding materials such as cobalt.
- Stellantis supplier production plants are IATF 16949 and at a minimum ISO 9001 certified
 - 74% in Europe;
 - 82% in N.America.
- More than 80% of suppliers trained on Stellantis CSR risks and requirements.
- 11 of our vehicle plants in Europe are working with the sheltered sector.
- More than 220 employees were trained in 4 Events worldwide on the Stellantis CSR approach and ways to perform CSR actions.

Stellantis supplier performance shows that for the suppliers with a score >45, shown in green, are performing better than the EcoVadis benchmark. The benchmark is the average score of all suppliers aggregated in the EcoVadis tool.



Additional supplier engagement achievements

In 2021, Stellantis provided World Class Management (WCM) methodology and tools to our suppliers. WCM support included plant shop floor assessments for new launch suppliers and focused improvement activities for those supporting current production. To maximize the effectiveness of the program, suppliers and commodities are prioritized based on their impact on Stellantis plants, purchasing strategy and the supplier's current performance. Particular emphasis is placed on supplier plants involved in upcoming product launches. Dedicated WCM knowledge experts from Stellantis provide guidance and mentoring to improve supplier's key performance indicators and activities.

Supplier programs that focus on fostering innovation to improve products, processes and content are essential for Stellantis. We may use different tools but it is the dedication of our employees that work with suppliers for value optimization and encourage a proactive approach to collaborate on cost saving ideas and technical solutions.

Our suppliers participated in more than 10 Technology Day events both local and virtual. These events encourage collaboration with Stellantis personnel and suppliers on innovative solutions for features, efficiencies and quality, and allow suppliers to share their latest technological developments and concepts for the future.

Stellantis engages sub-tier suppliers by hosting Technology Open House events which allow Tier 2 and Tier 3 suppliers to present commodities, technologies or services to Stellantis audiences that they might not otherwise reach.

A partnership that promotes sustainable performance: Supplier Awards

The Supplier Awards are an opportunity to reaffirm the strategic importance of the supplier relationship as a fundamental driver in achieving the Company's strategic plan for profitable growth and developing differentiating technological innovations in response to the challenges of global competitiveness. The Global Purchasing and Supply Chain Department rewarded the best suppliers in several categories. One of the categories is CSR Performance. The list of award-winning suppliers is validated by a committee to ensure that the suppliers are compliant with the assessment criteria in other categories. For example, a supplier cannot be given an award in the value-creation category unless it has reached the required CSR level. In 2021, 12 suppliers received awards for their commitment and quality of their response to the Company's expectations.

7.1.8 DETAILED KEY PERFORMANCE INDICATORS

GRI 204-1 | GRI 407-1 | GRI 408-1 | GRI 409-1 | GRI 414-2

7.1.8.1 Transparent communication on the results of due diligence

GRI 102-25 | GRI 308-2

2021 CSR Performance of the Company's suppliers assessed by the external service provider EcoVadis

Stellantis's suppliers performance %

Performance category	Compliant	Minor non-compliance	Core non-compliance
Global Overall CSR score	71%	27%	2%
Environment	71%	27%	2%
Labor and Human Rights	75%	24%	1%
Ethics	60%	34%	6%
Sustainable Procurement	40%	49%	11%

2021 EcoVadis assessment Key Performance Indicators

CSR KPI - Responsible Sourcing

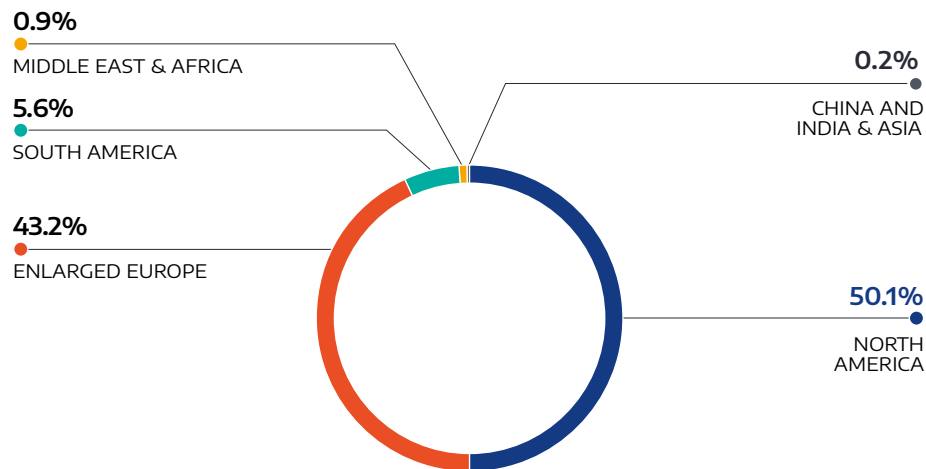
Policy on corruption	72%
Active whistleblowing procedure in place	51%
Audit or assessment of suppliers on CSR issues	50%
Whistleblowing procedure on ethics	46%

Summary of 2021 Critical Supplier Audits

CSR Category	Sub-topics	Observations	Minor non-compliance	Core non-compliance	Critical non-compliance	Total
Sustainability policy	Sustainability policy	3	-	-	-	3
Human rights	Uphold freedom of association and the effective recognition of the right to collective bargaining; Elimination of any forms of forced or compulsory labor; Zero-tolerance of child labor; Elimination of discrimination in terms of employment and occupation; Anti-corruption measures and the prevention of conflicts of interest; Labor organization and disciplinary practice	8	14	48	2	72
Working conditions	Remuneration; Working hours	1	15	80	16	112
Workplace health and safety	Organization; Buildings; Fire Prevention; Machines/ electrics; Hazardous substances; Canteen; Dormitories	6	74	116	1	197
Environment	General organization; Waste; Waste water; Air emissions; Soil; Water and energy consumption	4	11	6	-	21
Management System	Supply chain	1	3	3	1	8
Total		23	117	253	20	413

7.1.8.2 Supplier Spend Analysis

Value of Direct Material Purchases by Destination



7.2 HUMAN RIGHTS IN THE SUPPLY CHAIN



7.2.1 CONTEXT AND STELLANTIS POSITION

GRI 102-43 | GRI 103-1

CSR ISSUE/CHALLENGE #21: Human rights in the supply chain

Expectations from stakeholders are growing in terms of their interest to be informed about the origin of products and related production conditions for what they buy. It is crucial that we work to provide transparency throughout the supply chain, regardless of the difficulty to implement.

Managing social, societal and ethical impacts in the supply chain is a core priority for Stellantis, given the extensive international expansion in emerging countries of our supply base. We intend to adhere to common, globally embraced environmental and social principles by working together to improve our supply base sustainability development. Enhancing transparency regarding raw material origin and human rights within our complex global supplier network is a high priority. We respect the responsibility we have for due diligence and the opportunity to be socially respectful within the extended enterprise. Stellantis focuses on improving supplier social performance and complying with social, societal and ethical standards in our supply chain.

Company's public position

GRI 412-3

As a Global Compact signatory, the Company endorses the principles based on the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention against Corruption.

The Company's commitment on human rights is based on the recommendations of the OECD guidelines and of the UN guiding principles for multinational enterprises, business and human rights.

Stellantis commits to implementing preventive measures to uphold human rights and ethical principles, meet social and ethical standards based on the International Labor Organization (ILO) rules for human rights such as child labor and forced labor, the OECD Guiding Principles and customer expectations considering the risks specific for the automotive supply chain. We also commit to adhering to the standards, norms and regulations defined by supranational bodies such as, ISO 26000, ISO 20400, ISO 14021, UK REACH, International Labor Organization and Global Compact. We adhere to the legislative requirements including the Duty of Vigilance, EU Conflict Minerals regulation, U.S. Dodd Frank Act and the Modern Slavery Act.

We integrate these standards into our internal processes to manage the risks incurred and the risks to stakeholders arising from our business activities with the extended supply network including the sub-tier suppliers.

Stellantis requires that forced or compulsory labor and child labor is not tolerated and is forbidden throughout the entire supply chain, including raw materials suppliers. We require that our suppliers also apply these standards rigorously.

7.2.2 FORWARD-LOOKING VISION AND TARGETS

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #21</p> <p>Human rights in the supply chain</p> <p>Owner Chief Purchasing and Supply Chain Officer</p> <p>>>></p>	<p>Require, monitor and control the total respect for Human Rights along the entire global supply chain process, involving all actors to ensure transparency</p>	<p>Average Human Rights scores of Stellantis Tier-1 suppliers assessed by independent third party</p>	<p>2025: Increase of +2.5% vs score as of 01/01/21</p>	<p>2030: Increase of +5% vs score as of 01/01/21</p>	<p>2050: in top level performance category</p>	<p>2.7% increase in performance during 2021</p>

7.2.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-13 | GRI 102-15 | GRI 103-2 | GRI 407-1 | GRI 408-1 | GRI 409-1

Human Rights and Forced Labor commitments

Stellantis is focused on Human Rights and the encouragement of appropriate attention from our entire supply network. An important aspect we address is the

prohibition of child or forced labor within the extended supply chain. We create partnerships with providers that support actions to monitor the many layers within the complex extended supply network.

Participation on automotive industry work groups is part of our process to address the concerns of forced labor by bringing together expertise from cross functional teams. Customs and Sustainability teams from OEMs and suppliers are working together to help develop ideas and strategies ([refer to 7.1.6 >](#)).

Stellantis pays specific attention to the Human Rights section of the overall Responsible Sourcing topic.

RISK #1 Human Rights violations in the extended supply network	
Risk Description	<p>Due to the extended supply chain structure it can be complex to work towards ensuring the avoidance of human rights violations. Supply chain management based on continuous risk assessment with the objective of reducing exposure to risk and improving performance is a critical element for Stellantis' supply chain management programs. It is of high importance to work with suppliers that share the same objectives to support the elimination of human rights violations. We expect our suppliers to share the principles we live by and to cascade these principles throughout the extended supply network.</p> <p>Potential Impact</p> <ul style="list-style-type: none"> ▪ Violation of legislation in case of an incident (Duty of Vigilance) based on the need for local application in a global supply chain ▪ Supply disruption due to strikes/social conflicts ▪ Remediation costs to resolve issues found at any level of the extended supply chain; ▪ Compensation to victims in the event of incidents ▪ Loss of productivity and quality ▪ Ethical breaches on supplier quality risks ▪ Reputation risk - crisis of confidence in the event of a proven supplier failure ▪ Declining Brand reputation that might impact sales ▪ Additional measures may be required to secure supply (security stock/supplier dubbing) ▪ Supplier removal from panel or bid
Mitigation Strategy	<ul style="list-style-type: none"> ▪ Identify risk by commodity, country and industry for direct and develop plans for indirect material purchases ▪ Based on EcoVadis Rating Framework ▪ Commitment to the Global Compact and building on its Global Framework Agreement, which extends to suppliers and partners ▪ Engagement with several multi-stakeholder organizations, both within and outside the automotive industry ▪ Onsite audit activities ▪ RCS Global - Battery suppliers ▪ SGS - Social audits
Additional Opportunities	<ul style="list-style-type: none"> ▪ Anticipating future regulations and the opportunity to improve the industry and our suppliers <ul style="list-style-type: none"> • German 2022 • EU 2023 ▪ Supplier development through mentoring and training ▪ Access to regulated markets on human rights aspects ▪ Enhance corporate image among civil society ▪ Improvements in Operational Management <ul style="list-style-type: none"> • Productivity • Better working conditions • Reduced work-related accidents • Reduced absenteeism and turnover ▪ Reinforcing the attractiveness of suppliers, particularly in emerging countries and improving skills within the supply chain

RISK #2	Regulated materials in the extended supply chain – Conflict Minerals compliance (3TG)
Risk Description	<p>The extraction of raw materials for use in the manufacturing of goods and services for the automotive industry may lead to undesirable actions in some geographical locations. Funding armed conflict is a concern that requires due diligence to provide transparency regarding the origin of specific minerals, such as tin, tungsten, tantalum and gold. Through supplier assurance measures we seek to help put an end to the exploitation and abuse of local communities, including mine workers, while supporting local development.</p> <p>Potential Impact</p> <ul style="list-style-type: none"> ▪ Finance of armed conflict ▪ Incidents of child, forced or compulsory labor in the sub-tier supply chain ▪ Difficulty to secure supply of critical minerals ▪ Reputation concerns <ul style="list-style-type: none"> • Negative publicity • Loss of investor confidence • Negative brand association for future customers
Mitigation Strategy	<ul style="list-style-type: none"> ▪ Ethical and conscientious procurement practices during the mineral extraction, trade and processing stages ▪ Conduct due diligence activities to provide supply chain transparency and smelter validation ▪ Training to provide suppliers with Stellantis' expectations and tools and resources to supplier development ▪ Supplier Business Review meetings to reinforce the alignment of objectives and legal obligations to continue the ongoing relationship with Stellantis
Additional Opportunities	<ul style="list-style-type: none"> ▪ Use of 3TGs from verified 'conflict free' sources to support green and local sourcing initiatives ▪ Redesign goods and services to eliminate the used of 3TGs ▪ Vertical integration for secured mineral supply ▪ Access to regulated markets on human rights aspects ▪ Automate the process

RISK #2	Non-regulated materials in the extended supply chain – Cobalt, Mica, Bauxite/Aluminum, Nickel, Lithium, etc
Risk Description	<p>There are many materials that can become a focus item based on potential human rights violations. These types of raw materials used in the manufacturing of goods and services for the automotive industry may lead to detrimental behaviors in the extended supply chain. Often there are preliminary stages prior to official legislative measures that should alert users to concerning activity. It is essential to stay aware and engaged with multiple stakeholders to learn and to build resources. We seek to help put an end to the exploitation and abuse of local communities while supporting local development.</p> <p>Potential Impact</p> <ul style="list-style-type: none"> ▪ Incidents of child, forced or compulsory labor in the sub-tier supply chain ▪ Difficulty to secure supply of critical minerals ▪ Reputation concerns <ul style="list-style-type: none"> • Negative publicity • Loss of investor confidence • Negative brand
Mitigation Strategy	<ul style="list-style-type: none"> ▪ Ethical and conscientious procurement practices during the mineral extraction, trade and processing stages ▪ Conduct due diligence activities to provide supply chain transparency and smelter validation ▪ Training to provide suppliers with Stellantis' expectations and tools and resources to supplier development ▪ Supplier Business Review meetings to reinforce the alignment of objectives and legal obligations to continue the ongoing relationship with Stellantis ▪ Ongoing partnership with RCS Global, a recognized organization that serves to support responsible mineral sourcing and works to deploy best practices.
Additional Opportunities	<ul style="list-style-type: none"> ▪ Redesign goods and services to eliminate the use of the subject material ▪ Use of materials, such as cobalt, from verified 'conflict free' sources to support green and local sourcing initiatives ▪ Vertical integration for secured mineral supply ▪ Access to regulated markets on human rights aspects ▪ Encourage industry discussion and focus on appropriate measures prior to legislation ▪ Enhance corporate image among civil society

IMPACT MEASUREMENT OF THE ELECTRIFICATION STRATEGY



Electrification relies on the raw materials necessary to produce battery components. The Stellantis Responsible Purchasing Guidelines requires battery suppliers to disclose their raw material suppliers. These materials can pose human rights risks in the supply chain particularly cobalt in countries like the Democratic Republic of Congo.

2,561 supplier groups are covered by a CSR assessment performed by an external third-party including human rights criteria. Part of the expectation is that the management of the extended supply chain has appropriate measures to identify, mitigate and monitor potential human rights issues. Stellantis conducts an annual mapping for the source of essential materials for electric vehicle battery manufacturing. In 2021, we partnered with RCS Global to apply due diligence with our critical suppliers regarding cobalt and lithium supply chains by conducting 40 external on-site audits.

NGOs identified that another material that the energy transition relies on, i.e. aluminum, also poses human rights issues. Drive Sustainability, a Stellantis partner, launched a project to identify human rights risks in the supply chains of 10 raw materials, including aluminum. In July 2021, Human Rights Watch issued a report on human rights violations risks in the aluminum supply chain, naming aluminum the “blind spot” of car companies due diligence policies. Therefore, the description of the impact of electrification on human rights in the supply chain should not only refer to materials such as cobalt and lithium, but also to aluminum.

These activities improve our ability to address human rights risks in its supply chain where they may exist (refer to 7.1.3»).

7.2.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2

Our Conflict Minerals program is managed by regional and subsidiary conflict minerals team members. A global lead provides overall program management and consolidation direction to ensure that corporate obligations are fulfilled. The Stellantis conflict mineral supplier submission status is tracked and communicated by the purchasing organization to ensure that any needed escalation efforts are deployed quickly. The purchasing commodity directors are involved in escalation activities with the supply base, as needed, to reinforce the importance of providing due diligence evidence to support Stellantis’ legal requirements. Securities and Exchange Commission (SEC) filings are regulatory documents that companies must submit to the SEC annually to show the efforts taken

to determine the mine or location of origin with the greatest possible specificity. Suppliers who are required to submit the Conflict Minerals Reporting Template must provide it within the appropriate time period or be considered as non-compliant. If a supplier is found to be non-compliant they may be recommended for removal from the sourcing panel.

On-site audit program management

There are protocols in place to manage audit activities. We hold meetings with the service providers to ensure the programs are progressing and any issues or concerns are addressed. If a critical non-compliance is found the supplier is flagged for additional escalation activities and appropriate purchasing management members are notified. At the close of the audit a formal debrief is conducted to share the findings with the supplier. Depending on the findings, after the debrief individual follow up is made to ensure that corrective action plans are implemented, if required a follow-up audit is performed to have the necessary evidences of implementation. Internally we review the audit activities and results with top purchasing management and when appropriate suppliers with exemplary results are recognized by the purchasing team.

Diversity and Inclusion focus programs

We work to include diversity and inclusion considerations as an everyday practice in our dealings with employees, dealers, suppliers and customers. Training, mentoring, scholarship support, sponsorship and membership with Board and committee participation are some of the ways we support various diversity organizations. Diversity spend targets are created for suppliers based on diversity categories. Performance is captured as a strategic indicator on the Global External Balanced Scorecard, which can be used in sourcing decisions.

To receive credit towards their diversity goals, a supplier is required to work with certified diversity tier-2 suppliers. The diversity spend status of each supplier is monitored and reviewed with them. The High Focus program works with the suppliers that have a greater potential for diverse spending and equips them with tools and support to achieve their diversity targets.

Sheltered and adapted sector

Commitment for the social and occupational inclusion of people with disabilities is an important segment to Stellantis. We have dedicated resources that support the organization at the national level, with a focus in France and Spain. Specific budgets and processes are set and managed to ensure attention on this segment.

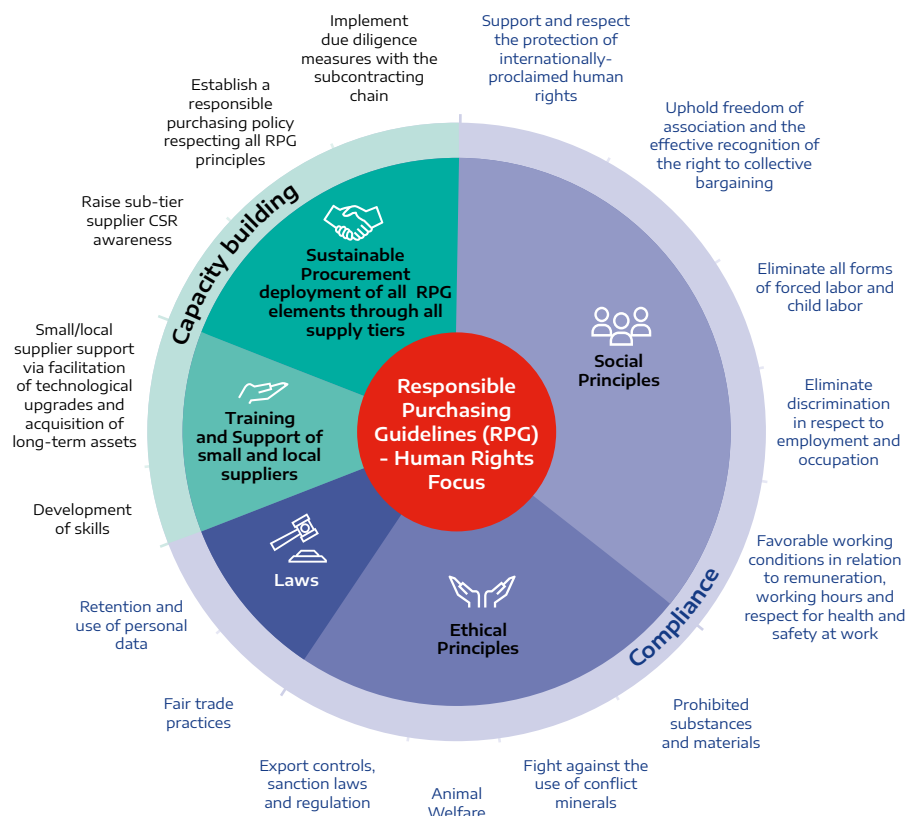
7.2.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-2

Stellantis combined the former Conflict Minerals policy and the Responsible Purchasing Charter used for example in the PSA organization into the Responsible Purchasing Guidelines ([see section 7.1.5](#)).

The topic of human rights is reinforced in many documents such as the Modern Slavery Act Statement and the Non-Financial Information section of the [Annual Report](#) which includes the Duty of Vigilance.

Stellantis' focus areas for human rights in the extended supply chain



IATF Certification

Stellantis suppliers are required to complete our customer specific requirements which includes adherence to our Responsible Purchasing Guidelines, Corporate Social Responsibility recommendations and required actions. The certifying bodies for IATF conduct audits regarding these specific requirements. The IATF 16949 certification is granted for three years with an annual monitoring audit. Certification is suspended and additional audits are conducted if there are core compliance failures so that corrective actions can be implemented.

Onsite Auditing

Onsite audit activities are performed by certified auditors from distinguished external assessment bodies ([see section 7.1.7](#) for further details). Currently we have partnered with SGS for these audit activities. Guidance is provided via program documentation that includes the supplier kick-off notification, audit checklist and closure debrief. Any non-compliance requires an improvement plan. During the closing meeting the supplier receives the auditor findings and is required to sign-off on any improvement plans. These plans are monitored to ensure that the identified concerns are resolved. Additional follow-up visits may be required to confirm evidence onsite.

Whistleblowing

Stellantis reinforces that employees, suppliers, dealers, consumers and other stakeholders can and should report any concerns of alleged situations, events or actions that may be inconsistent with the Stellantis Code of Conduct. They can also request advice about the application of the Code of Conduct.

We are committed to act in a socially responsible manner that is in line with sustainable practices within Stellantis and at each level of the supply base including ensuring the health and safety of the workforce, prohibiting child and forced labor, complying with conflict minerals and adhering to environmental protection regulations ([see section 5.1.4.1](#)).

7.2.6 ORGANIZATION AND RESOURCES

For detailed information on which resources are available in Stellantis to ensure Responsible Purchasing, refer to [section 7.1.6](#) to see the overview.

Monitoring potential human rights violations within the Stellantis supply chain requires internal and external resources. The most prominent areas of concern regarding human rights can be many layers deep within the complex automotive supply network. Even though Stellantis may not have a direct contractual relationship with these entities, we recognize our responsibility to provide appropriate due diligence for materials that are critical and may be provided from conflict affected and high risk areas. There are designated individuals that perform multiple internal activities such as extracting critical data from internal systems, developing and managing the needed campaigns, reporting the status to top management and providing program management oversight for our service providers.

Conflict Minerals Program Management

The conflict minerals program management team is responsible for generating the annual in-scope supplier list that identifies which suppliers are required to provide the Conflict Minerals Reporting Template (CMRT). The list of parts for products containing tin, tantalum, tungsten and gold is provided from regional technical contacts upon request. The International Material Data System (IMDS) is a global data repository that contains information on materials used by the automotive industry and this, or an equivalent system, is used to provide the part content information.

Once the Conflict Minerals data collection process begins, the designated members are required to track supplier submissions and provide updates so that progress reports can be presented to the purchasing management team. If a supplier is unresponsive they will be placed into the escalation process which includes notifying the buyer and their management as appropriate.

Service Providers

Many of the service providers that support our Responsible Purchasing activities have focused elements that are specific to identifying and addressing human rights violations. We have partnered with RCS Global and are an active member of the Responsible Minerals Initiative (RMI). Both of these organizations are recognized

providers that conduct onsite audits throughout the supply chain including tier 1 suppliers as well as mine sites. This is another way that we fulfill our duty to adhere to the high expectation of vigilance.

RCS Global

- Mapping battery supply chain to gain greater transparency;
- on-site audits in the sub tier supply chain levels;
- expanded materials of focus;
- utilization of tools such as the Vine data base;
- increase in scope for materials of focus to address materials used in EV batteries.

Responsible Minerals Initiative (RMI)

- Engagement with multiple work groups;
- use of the Smelter database to support our Conflict Minerals filing;
- Risk Readiness Assessment (RRA) promotes common understanding of good practices and a means to consistently assess risks in mineral supply chains;
- Responsible Minerals Assurance Process (RMAP) is an assessment that employs a risk-based approach to validate smelters' company-level management processes for responsible mineral procurement;
- Conflict Minerals Reporting Template (CMRT) is an essential tool to gather information about the source of materials in our products, and the smelters and refiners that process the materials;
- Cobalt Reporting Template (CRT) is a standardized reporting template developed to identify choke points and collect due diligence information in the cobalt supply chain;
- Material Insights interactive module to update the prior Material Insights report.

We are members of many automotive industry associations. For example, we participate with four regional organizations, ANFIA, PFA, VDA, and AIAG and the multi-national partner Drive Sustainability. For more information, [see section 7.2.7](#).

7.2.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

GRI 102-13 | GRI 102-33 | GRI 102-34 | GRI 103-3

Initiatives to support the respect of human rights in the supply chain

GRI 407-1 | GRI 408-1 | GRI 409-1 | GRI 414-1 | GRI 414-2

Stellantis incorporates workforce-related and social criteria into the purchasing process to ensure our focus on human rights is upheld within the extended global supply chain. Our suppliers are expected to sign and apply the requirements from our Responsible Purchasing Guidelines which has specific attention on compliance with social and ethical principles.

The Stellantis Responsible Purchasing Guidelines ([see 7.1.5 >](#) and [7.1.7 >](#)) is based on the recommendations of the OECD.

- A public commitment to human rights;
- Risk mapping for human rights infringements;
- Preventive measures to address identified risks;
- Corrective action must be taken for suppliers potentially or currently involved in a human rights infringement;
- Action plan monitoring;
- Communication of measures put in place.

Stellantis identifies the regions and areas that have the largest risk of human rights violations and modern slavery.

The regions and areas at risk are identified based on two criteria:

- country (countries that have not signed up to global agreements, countries ill-equipped to enforce international laws);
- manufacturing process (whether it requires a significant amount of low-skilled labor and additionally is dangerous).

Based on this, the Company applies a graduated reasonable efforts approach. This might result in removing a supplier from the panel or bid if it should become evident that it was directly or indirectly involved in this type of practice. It is the Company's policy to assist and guide suppliers so that they can improve. However, if they are

clearly unwilling to make changes, Stellantis reserves the right to cease all contact and to remove them from its supplier database.

Practicing due diligence

Stellantis applies due diligence to ensure that its social demands are met by its suppliers. We follow the OECD Due Diligence Guidance for our supply chain which comprises reasonable due diligence measures to identify risks and prevent serious infringements of human rights and fundamental freedoms, and personal and environmental health and safety, arising from the activities of subcontractors or suppliers with whom there is an established business relationship. The measures put in place by the GPSC aim to ensure that suppliers fulfill social and environmental commitments. The plan supports identification, prevention and mitigation of the risks of noncompliance and failure to comply with basic human rights. The plan also provides the option to perform on-site audits.

Stakeholder engagement: Through engagement with several multi-stakeholder organizations, both within and outside the automotive industry, Stellantis seeks to address not only the needs, but the opportunities that exist through ethical and conscientious procurement practices during the mineral extraction, trade and processing stages. Stellantis collaborates with automotive and cross-industry associations to develop the global extended supply chain and build resources that support due diligence activities.

Stellantis has specific legal obligations, section 1502 of the U.S. Dodd-Frank Act and the new EU regulation, that must be met regarding the country of origin for conflict minerals. We are required to conduct due diligence to determine whether tantalum, tin, tungsten and gold in the supply chain originated from the covered countries, and whether the procurement of those minerals supported armed conflict in the region. This issue is not unique for Stellantis and working to build industry resources is beneficial for us and our suppliers that are often common among automotive manufacturers.

Stellantis is a member of Drive Sustainability. This association provides greater engagement with other OEMs, as well as access to additional tools and resources. In 2021 we worked to revise the Guiding Principles which outline expectations for suppliers on key responsibility issues including human rights, environment, working conditions and business ethics.

In the Automotive Industry Action Group (AIAG) Corporate Responsibility Steering Committee, Stellantis was elected co-chair of the Responsible Minerals workgroup which leads auto industry engagement in cobalt, mica and conflict minerals activities and relationships. Stellantis employees are engaged in a number of other AIAG teams that partner automakers with suppliers. New groups are launched to address industry issues such as the Forced Labor and Human Rights team that brings together volunteers from diverse departments with specific backgrounds such as Customs and CSR experts.

Our membership with the Responsible Minerals Initiative (RMI), which was founded by members of the Responsible Business Alliance (RBA) and the Global e-Sustainability Initiative, supports cross-industry discussion and development of common tools. Participation on RMI sub-teams facilitates development of best practices for supply chain assurance mechanisms. We work closely with RMI and its Responsible Minerals Assurance Process (RMAP). The RMAP uses an independent third-party assessment of smelters and refiners' management systems and sourcing practices to validate conformance with RMAP standards. The assessment employs a risk-based approach to validate smelters and refiners' company-level management processes for responsible mineral procurement.

Through our work with diverse stakeholder organizations we are helping to build fair supply chains of minerals in the covered countries.

Focus on conflict minerals: earnings from mining gold, tin, tantalum and tungsten might be used to finance armed conflict in the Democratic Republic of the Congo and surrounding countries. In accordance with required U.S. and EU regulations, Stellantis' policy requires the utmost transparency from its suppliers about the origin of any raw materials and minerals they use. A specific clause, article 16.2.3, is inserted in the purchase contract for battery suppliers, stating that the supplier must disclose the detailed composition of the materials used to manufacture the parts supplied, as well as any changes in that composition. This requirement complies with the "Devoir de Vigilance" legislation. The supplier must also provide the written information necessary to comply with the legislation in force, particularly on consumer protection and conflict minerals. The Purchasing Department identifies the in-scope suppliers to include in the annual Conflict Minerals reporting campaign.

Stellantis has access to a wide range of information and data from RMI that supports our efforts to ensure that sustainability standards are implemented by smelters and the mining industry. The Company has access to the RMI smelter database, assurance process and all the latest information and training materials available to support appropriate due diligence to promote responsible raw material supply chains. The Conflict Minerals Reporting Template (CMRT) that is provided by the RMI is requested from the in-scope suppliers using the 3TG metals (tungsten, tantalum, tin and gold). If there are concerns regarding the sourcing of raw materials, the suppliers have to address the concerns and potentially set up alternative sources. The Company thus seeks to exercise its duty of care and foster sustainable procurement.

The Conflict Minerals reporting process begins by determining the in-scope suppliers that have parts that contain tantalum, tin, tungsten or gold, based on part data from the International Material Data Sheets (IMDS). A response to the CMRT is then required from more than 680 in-scope direct and after-market suppliers in order to obtain smelter information.

Further, we:

- expect our suppliers to source materials from suppliers who also source responsibly, including from legitimate, conflict-free mines in the covered countries;
- require relevant suppliers make reasonable efforts to conduct the necessary due diligence and provide us with proper verification of the country of origin and source of the materials used in the products they supply to Stellantis;
- support initiatives to verify smelters and refiners that are conflict-free and expect our suppliers to utilize any such conflict-free smelter/refiner programs that are available;
- review all incoming CMRT submissions from our suppliers;
- provide detailed smelter analysis to suppliers reporting non-conformant smelters in their supply chain.

To prepare suppliers for submitting information Stellantis provided training for the targeted suppliers regarding the completion and submission of the CMRT.

We strive to ensure companies or individuals in legal business activities are not harmed by our efforts to avoid using minerals that are illegally obtained. To this end, we work to promote sourcing from responsible sources in the region. Stellantis also engages with industry and cross-sector groups to promote and develop our raw material supply chain focusing on, but not limiting our efforts to, commodities such as cobalt and mica.

Cobalt and others: Cobalt is of growing interest for the auto industry due to its use in electric vehicle batteries. Stellantis has taken action to engage suppliers regarding cobalt in their products given the ongoing concerns around the use of child labor in the mining of cobalt. Expanding into new materials relies on the lessons learned from our Conflict Minerals process in addition to applying industry tools and resources.

Utilizing and teaching our suppliers the OECD 5-Step Framework for Upstream and Downstream Supply Chains provides a common foundational tool that helps solidify responsible sourcing practices and decisions made throughout our supply chain. In addition, cross-sector engagement brings together experts from numerous industries to use their global presence and leverage to drive ground-level improvements in the mining of metals and minerals through process, tool and infrastructure improvements.

To help companies address these challenges, the RMI has developed the Risk Readiness Assessment, which addresses environmental, social and governance risks present in the global supply chain. This tool can help improve supply chain transparency and mapping to mitigate undesirable practices as they relate to Conflict Minerals, cobalt and other raw materials. RMI has also collaborated with the Responsible Cobalt Initiative on a joint cobalt refiner audit program, aligned with the OECD Due Diligence Guidance and the Chinese Due Diligence Guidelines for Mineral Supply Chains.

In 2021, Stellantis extended its partnership with the responsible sourcing advisory, traceability technology and audit firm RCS Global, for a multi-material supply chain program covering battery materials including cobalt, lithium, graphite, and nickel.

The program continues the groundbreaking work of the predecessor Company (PSA) in 2020 which identified the origin of raw materials, human rights risks, and due diligence conformance of the Stellantis supply chain.

2021's supply chain is supported by Vine – RCS Global's online due diligence management platform for supply chain traceability and supply chain visualization. Stellantis is an early supporter of Vine, which allows the company to identify, review and analyze sustainability risks and respond rapidly to critical risks where they are identified.

Mica represents another area of concern for child labor. It is used predominantly in surface coatings and contained in other vehicle materials, such as in polymers for exterior mirror housing and covers. Stellantis has been a supporter of the 2021 release of the Global Workplace Standard for Mica Processors which addressed social obligations covering a range of labor practices such as; age of employment, fair working hours, minimum wages and overtime, grievance mechanisms, freedom of association and diversity provisions, including women's rights and under-represented communities. RMI will initiate audits for mica processors under the RMAP and create a list of conformant processors.

Human rights impacts are a concern due to the mining practices deployed to harvest the mineral Bauxite, which is used in aluminum production. In an effort to raise awareness and reinforce the automotive industries focus on human rights in the supply chain the members of Drive Sustainability collaborated to send a letter to the European Aluminum Association and to The Aluminum Association in the U.S. regarding Bauxite mining in Guinea. The message expressed our commitment to protect human rights in the aluminum automotive supply chain.

Achievements

More than 220 Purchasing employees trained on Human Rights policies or procedures.

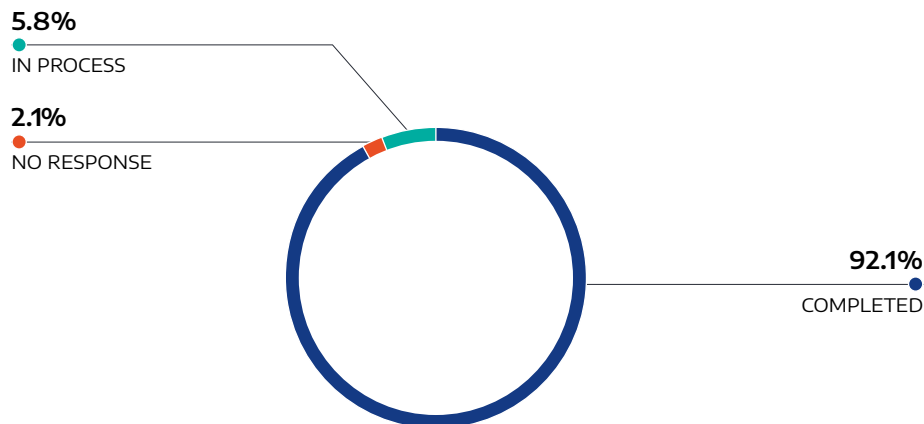
CSR Performance

- With an average overall Human Rights section score of 53.2, suppliers working with Stellantis outperformed all suppliers assessed by EcoVadis, who have an average score of 46.6;
- 333 assessed or audited suppliers for which corrective action plans have been developed for Human Rights issues, which is 13% of the total assessed or audited suppliers.

Conflict Minerals reporting

- More than 250 smelters have been validated as low risk;
- more than 230 smelters and refiners have been validated as conforming to the RMAP or cross-sector recognized standards;
- 92% in-scope suppliers for parts containing tin, tantalum, tungsten and gold have submitted the required CMRT.

Status



RCS Global audits

- Completed audits: 40 on-site audits of companies at every tier of Stellantis' cobalt and lithium supply chains (battery manufacturer, cathode manufacturer, refiner, treatment unit, and mine site). Audit scope: cobalt, lithium, nickel and graphite;
- Accepted Corrective Action Plans: 40;
- Identified suppliers: >550;
- Number of Country of Origin (for mine site): 14
 - Democratic Republic of Congo (DRC), China, New Caledonia, Papua New Guinea, Russia, Turkey, Australia, Brazil, U.S., Indonesia, Canada, Finland, Chile and Argentina.

The results put Stellantis in a good position to significantly address human rights risks in its supply chain where they exist.

Business with the sheltered sector

Stellantis is committed to helping our suppliers maintain their policy of inclusion of handicapped workers. Promoting equal opportunity in the workplace is vital to Stellantis' human resources management and the Company's long-term success. A wider, more diverse pool of talent improves the Company's understanding of our workforce and our customers. Stellantis works with six major French associations: Adapei in Doubs, Adapei in Haute-Saône, Bretagne Ateliers, Adapei Papillons Blancs in Alsace, Les Ateliers de l'Ostrevent, the AMIPI/SLAMI Foundation together with Spanish association ILUNION.

The services bought from the adapted and sheltered sector added up to €48 million.

Diversity and Inclusion

Stellantis is focused on empowering equal employment opportunities based on merit without regard to race, color, sex, sexual orientation, gender identity, transgender status, age, protected veteran status, marital status, religion, national origin, disability status, genetic information or other basis protected by law. We work to include diversity and inclusion considerations as an everyday practice in our dealings with our employees, our dealers, our suppliers and our customers. Stellantis believes the diversity of our suppliers should reflect the diversity of our workforce and the communities in which we do business. Stellantis provided support to organizations that included DisabilityIN where the focus is on empowering business to achieve disability inclusion and equality.

Stellantis spent more than €6.56 billion with Tier 1 and Tier 2 diverse suppliers in 2021. The Stellantis U.S. suppliers' External Balanced Scorecard includes a metric for diversity sourcing at the Tier 2 level. The diversity spend status of each supplier is monitored monthly and reviewed with them quarterly.

Recognition of the diversity efforts the Company has made are presented throughout the year. These awards honor corporations for diversity programs that reduce barriers and drive growth for suppliers that are appropriately certified with approved councils.

Stellantis U.S. received the following awards for our focus on diversity during 2021:

- Top 8 Supplier Diversity Program out of 1,800 USA based companies - DiversityInc;
- WBENC Best In Class Corporation Award;
- GLWBC Best In Class Corporation Award;
- VOBRT Corporation of the Year Award;
- NVBDC President's Award;
- NMSDC Corporation of the Year Nominee;
- MMSDC Corporation of the Year Nominee;

Stellantis also supported inclusion across our supply base through the North American 22nd annual Matchmaker event, which creates opportunities for diverse suppliers. Matchmaker events provide minority-owned, women-owned and veteran-owned businesses access to our Tier I suppliers and to decision makers within our procurement organization.

In 2021, more than 900 people attended the virtual event gaining access to 90% of the purchasing leadership and over 200 buyer professionals.

Training, mentorship, scholarship support, sponsorships, membership and Board and committee participation are some of the ways we support organizations, which include:

- Billion Dollar Roundtable;
- National Gay and Lesbian Chamber of Commerce;
- National Minority Supplier Development Council;
- DisabilityIN;
- Canadian Aboriginal and Minority Supplier Council;
- Women's Business Enterprise National Council;

- WECONNECT International;
- Michigan Hispanic Chamber of Commerce;
- National Business League (Former Michigan Black Chamber);
- Asian Pacific American Chamber of Commerce;
- Michigan Minority Supplier Development Council;
- Veteran Owned Business Roundtable;
- Rainbow Push;
- DisabilityIN;
- Great Lakes Women's Council Conference;
- National Veteran Business Development Council;

CSR KPI - Labor and human rights	
Actions on employee health and safety issues	68%
Reporting on health and safety indicators	60%
Global Compact Signatory	41%
Tin, tantalum, tungsten or gold and their derivatives (i.e. "conflict minerals") necessary to the functionality or production of products	38%

7.3 PHILANTHROPIC ACTIONS TO SUPPORT COMMUNITIES



7.3.1 CONTEXT AND STELLANTIS POSITION

CSR ISSUE/CHALLENGE #22: Philanthropic actions to support communities

As a corporate citizen, Stellantis wants to make a positive contribution to society in the countries where we operate. We want to share with our communities our values, knowledge and resources through our philanthropic actions. The world is changing very fast due to the impact from many major events. Stellantis wants to mitigate the significant impact on people in their day-to-day lives and more specifically on people who have fewer options due to limited resources. We aim to support these people through mobility and educational projects and empower them while inspiring hope.

Company's public position

Stellantis, as a member of the **Global Compact** , promotes company commitments to play a role in building a more stable, inclusive and sustainable society. By mobilizing financial and human resources to help Non-Governmental Organizations (NGO), Non-Profit Institutions (NPI) and support employee initiatives, we can develop and deploy philanthropic projects of general interest **adapted to the specific needs of the communities in which we operate**. The projects we implement are designed to have a positive impact in these communities.

7.3.2 FORWARD-LOOKING VISION AND TARGETS

Following the merger of former Groupe PSA and FCA, in January 2021, Stellantis is currently reorganizing its philanthropic activity. During this transitional year, Stellantis committed to previous engagements. In 2022, Stellantis discloses its new philanthropy strategy focused on needs of vulnerable people in the communities where we operate: Driven by our societal commitment, we empower people through access to mobility and education.

The first implementation phase of this strategy and associated commitments will start in 2023.

CSR ISSUE	VISION / AMBITION	STRATEGIC KPIs	COMMITMENT			2021 RESULTS
			Short-term	Medium-term (End of Strategic Plan)	Long-term	
<p>CSR issue #22</p> <p>Philanthropic actions to support communities</p> <p>Owner Chief Communication and CSR Officer</p> <p>>>></p>	<p>Driven by our societal commitment, we empower people through access to mobility and education.</p>	<p>Amount of budget for philanthropy</p>	<p>2023: at least €15 million dedicated to philanthropy + all philanthropic projects focused on the new philanthropic strategy¹</p>	<p>2030: at least €15 million dedicated to philanthropy + at least one philanthropic project in each region¹</p>	<p>2038: at least €15 million dedicated to philanthropy + at least one philanthropic project in each region and for each philanthropic focus areas¹</p>	<p>Stellantis managed the former commitments from the legacy charitable entities</p>

¹Amount decided on a yearly basis, based on assessment of Stellantis and general economy financial trend, and benchmark with OEM involvement in philanthropy.

7.3.3 IDENTIFICATION AND MANAGEMENT OF RISKS AND OPPORTUNITIES

GRI 102-15

GRI 102-43

GRI 103-3

Risks	Mitigation	Opportunities
<p>Business risk</p> <p>Certain countries where we have strategic plans to operate or current operations require philanthropic activities to fulfill contractual legal expectations.</p> <p>The risk is to support projects that are not adapted to the community priorities and are not socially impactful.</p>	<ul style="list-style-type: none"> Stellantis philanthropic organization supports projects only in the countries where we operate. A local dedicated team ensures the building and the follow-up of the project. Stellantis works with recognized NGOs or NPIs that are locally well respected in focus countries to create innovative philanthropic projects. Stellantis philanthropic organization supports philanthropic projects in which we could have an added value. 	<ul style="list-style-type: none"> With our global philanthropy network, philanthropic organization could experiment, extend or spread successful projects in other countries in the same region. We can bring forward new innovative projects. It is a way to encourage our stakeholders to follow us and contribute to these projects.
<p>Operational management risk</p> <p>Donation requests received by Stellantis, as a big company, exceeds the amount of its philanthropic allocated resources. Refusals might deteriorate relationships with NGOs and local communities because we cannot support all of them.</p>	<ul style="list-style-type: none"> Philanthropic organization will disclose our philanthropy strategy, our terms and conditions, our grid of criteria and the selection process in the Stellantis corporate website. 	<ul style="list-style-type: none"> The high number of projects received allows philanthropic organization to select the most innovative projects. Stellantis philanthropic organization can take actions to strengthen local roots in respect of the local culture and habits. Multi-year projects with larger funding are more impactful.
<p>Reputational risk</p> <p>Donation requests may come from organizations whose behavior or actions are not in line with Stellantis values.</p>	<ul style="list-style-type: none"> Stellantis philanthropic organization has set up a selection process, which strives to avoid supporting projects that could endanger its reputation Stellantis philanthropic organization conducts a prior investigation of the organization to ensure that the use of the grants is consistent with its mission, Stellantis code of conduct, and laws Stellantis team ensures a close follow up of all projects. Philanthropic organization continues support only after a first successful relationship. 	<ul style="list-style-type: none"> Stellantis philanthropic organization selection process based on the alignment with the company's values opens opportunities to support NGOs sharing a similar approach. Employees could be engaged to volunteer for projects to reinforce their sense of belonging.

7.3.4 GOVERNANCE AND DECISION BODIES TO LEAD ACTIONS

GRI 103-2 GRI 413-1

In 2021, Stellantis demonstrated our corporate citizenship and supported 100 philanthropic projects around the world through our corporate foundations and direct corporate giving for a total amount of €14.4 million despite the COVID pandemic that postponed a large number of projects. After the merger of former Groupe PSA and FCA in 2021, Stellantis managed the transition to the new philanthropic focus. We continue to support multi-year projects that started before the merger. The legacy charitable entities managed their former commitments on the basis of their previous governance. In Stellantis, the Chief Communication and CSR Officer is in charge of Philanthropy. The 2021 year was dedicated to the redesign and reorganization of the philanthropy department and activities including working on proposals for a new governance structure. The new philanthropy program will be announced in 2022.

2021 KEY FIGURES



Fondation PSA was a French corporate foundation founded in 2011 with a mandate for five years. The Board of Directors of Fondation PSA was composed of nine members, two founders, four representatives of former Groupe PSA entities and three independent experts. The General Delegation of Fondation PSA was a team led by a General Delegate who reported to the former Group PSA Communications Department. The process to choose qualified NGO donees used calls for projects, however in 2021, in the context of the merger, Fondation PSA did not launch any

call for projects. For each project supported, Fondation PSA worked closely with each organization to ensure the use of the donations and required a final report on the social impact of the project with key indicators previously identified. Since the Fondation PSA mandate came to an end on June 18, 2021, the Fondation Board of Directors did not renew the mandate and proceeded with its dissolution.

FCA charitable giving was conducted using a combination of corporate and foundation funds. FCA Foundation operated the majority of the FCA charitable activities. FCA Foundation primarily supported U.S. activities, while also funding occasional non-U.S. grants. A Board of Trustees consisting of corporate executives governed the FCA Foundation. The Trustees also served as the CSR Steering Committee and approved the corporate charitable giving budgets, recipients and funding organization. FCA Foundation worked closely with each grantee and required a final report with the social impact of the project. FCA Foundation had an invitation only application process. The FCA U.S. External Affairs Department managed the FCA Foundation.

7.3.5 POLICIES TO EXECUTE THE STRATEGY

GRI 103-1 GRI 103-2

Stellantis made 2021 a year of transition by fulfilling the philanthropic commitments made prior to the merger of former Groupe PSA and FCA.

Former Groupe PSA, mobility was considered an important global societal challenge and a fundamental right. Mobility has an effect on everyone's lives and is a key driver for economic development and social welfare. It underpins independence, progress and innovation. As a company who delivers mobility solutions and backed by our expertise, Fondation PSA was focused on mobility projects that were useful to the community. Fondation PSA demonstrated its commitment to socially responsible mobility by providing support to projects that use mobility to:

- promote social inclusion and strengthen social ties;
- expand access to culture and education, [refer to 7.3.7](#) > for more details.

The projects supported by Fondation PSA were put forward by public interest organizations around the world with special emphasis on former Groupe PSA areas of expertise. Support given to organizations located close to the former Groupe PSA employee pool strengthen the bond between our host communities and us.

FCA Foundation was aligned with the United Nations Sustainable Development Goals (SDG). The social contributions focused on education to empower people and build resilient communities with effects that can extend generations into the future. Investments were made in programs that generated meaningful and measurable impact for:

- education from early childhood to employment development skills, with an emphasis on STEM, literacy education improvement and problem-solving and in youth development;
- social-emotional support, providing young people with tools to face life's challenges to reach their dreams and full potential.

FCA Foundation and corporate giving initiatives and charitable contributions were made to support local community needs in the countries where FCA operated. Donations were made in healthcare, disaster relief, environment protection and conservation, veterans support and community events.

In addition to monetary contributions, Stellantis encourages employees to address the societal needs of the communities in which they live and work through employee volunteerism programs. During 2021, although COVID-19 significantly impacted volunteer opportunities, 1,117 employees around the world were able to support 47 projects representing more than 6,249 hours of working time. These programs focused on quality education and creating sustainable cities and communities. For more details on the projects supported, [see section 7.3.7](#).

As the philanthropic strategies of former Groupe PSA and FCA were different, a new philanthropic focus is being established for Stellantis as part of its strategic core purpose with a dedicated philanthropic organization to be put in place: "Powered by our diversity, we lead the way the world moves". The philanthropic strategy will be defined after the release of the Stellantis strategic plan.

7.3.6 ORGANIZATION AND RESOURCES

GRI 103-2 GRI 203-1 GRI 203-2

Stellantis has a diversified approach to corporate citizenship and uses different types and categories of donations to support communities in the most efficient way. In 2021, many Stellantis entities, under the control of the philanthropy team, donated to NGOs or non-profit organizations to help the people in need in the communities where we operate. Depending on the goals of the project proposed by NGOs, the donations may be annual or multi-year.

Stellantis contributions to support communities

(in €)

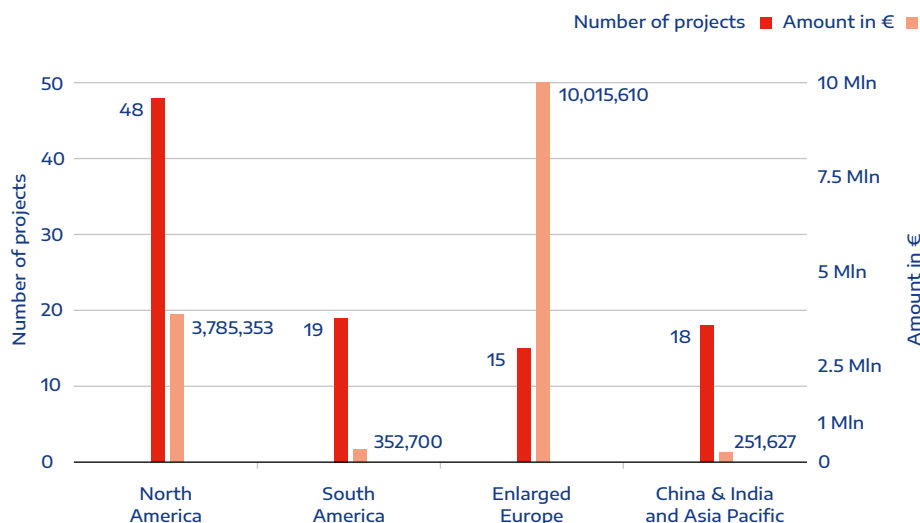
2021	Monetary contributions	In-kind giving	Working time spent volunteering by employee	Overhead expenses	Total	%
Charitable donations	5,836,917	107,731	216	763,234	6,708,098	44%
Community investments	1,546,279	2,870	-	-	1,549,149	10%
Commercial initiatives in partnership with charities	5,832,088	872,962	206,227	-	6,911,277	46%
Total	13,215,285	983,563	206,442	763,234	15,168,524	100%
%	87%	6%	1%	5%	100%	

7.3.7 MAIN INITIATIVES, ACHIEVEMENTS AND RESULTS

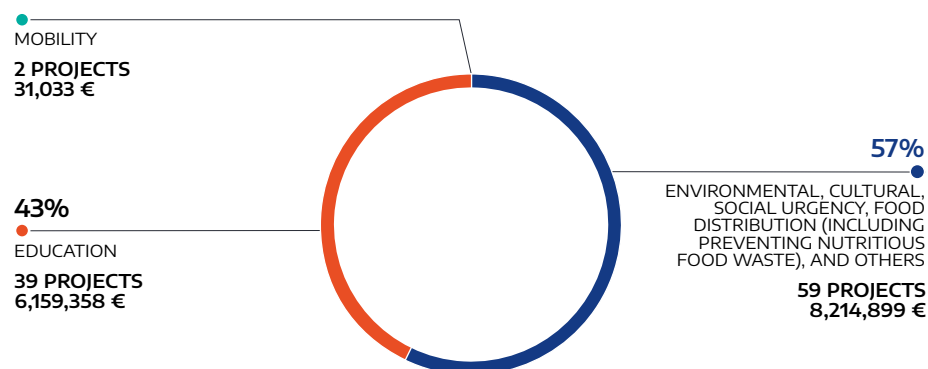


Stellantis intends to have philanthropic initiatives that are designed to make the world and society a better place. In 2021, in the context of the merger, Stellantis has focused its projects on mobility and education philanthropic initiatives. These projects were engagements prior to the merger. The Stellantis achievements support our focus to create positive social and environmental impacts.

Total monetary values of philanthropic contributions and number of projects by geographical areas



Total monetary values and number of projects distributed by focus areas



Among the 100 philanthropic projects



7.3.7.1 Socially responsible mobility projects

Fondation PSA supported organizations that are active in rural communities or in outlying urban areas and who work closely with social agencies and local authorities to implement socially responsible mobility solutions for people referred to the organizations by local social services. The goal was to remove mobility obstacles for the unemployed to receive training or find a new job. The mobility service experience former Groupe PSA gained with partner associations allowed the identification of new stakeholders, new needs of disadvantaged people and new vehicle usage models, other than ownership, to test the effectiveness of new business models for mobility services. These actions contribute mainly to two Sustainability Development Goals (SDGs), SDG 10 Reduced inequalities and SDG 11 Sustainable cities and communities.

Fondation PSA was recognized as an expert in socially responsible and inclusive mobility solutions.

Stakeholders dialogue on mobility

Since 2014, Fondation PSA participated in the work of the Laboratoire de la Mobilité Inclusive (LMI) with key players including companies or corporate foundations such as TotalEnergies Foundation, Fondation Macif, SNCF, Transdev, Malakoff Humanis; NGOs such as Secours Catholique, the Red Cross and FACE; and institutions such as Pôle Emploi, FASTT, CNML - the central and local government consultative body, and ADEME. The mission of the LMI is to advise on inclusive mobility issues mainly relating to individuals with integration needs; such as seniors and people in isolated rural and outlying urban areas. The LMI also works with players from the social and solidarity economy to trial mobility services and present the mobility needs of the less fortunate to French authorities.

Mobility projects for social inclusion

La Mobilité en partage is a shared mobility project in rural areas that was co-created with Emmaüs in 2017. An innovative approach to tackle the instability linked to a lack of mobility was initiated. The program created a network of mobility contributors and beneficiaries and developed strong local ties with stakeholders in French rural areas. The evaluated social impact of this three-year self-sufficient and unique experiment showed that a sustainable economic model is possible for an inclusive mobility system. This project was expanded to Pontivy (France) in 2021, in another Emmaüs entity.

Mobility projects to promote access to Education and Culture

Since 2015, Fondation PSA supported the **Petite Galerie project** of the Louvre museum. This partnership improved access to culture. The Petite Galerie project is a multidisciplinary space primarily for school groups. A touring exhibition stemming from the Petite Galerie project is part of this program. Former PSA industrial site workers are usually the first to see the exhibit escorted by a tour guide. The touring exhibitions are displayed in secondary schools, universities and shopping centers providing the opportunity for a wide range of audiences to hear about the exhibition. In 2021, the new exhibition "From afar: travelling materials and objects" tells the tale of the world and its people by describing exchanges between distant worlds from before the explorations of the 16th century.

Stellantis continues its support through Fondation PSA to the Ecole de Production. These schools prepare young people who were confronted to school failure, to obtain professional diplomas. The Company provided support with financing driver's licenses, raising awareness of road safety and purchasing vehicles to promote their mobility. In 2021, there were 228 driver's license trainings funded of which 76 students received their driver's license and 15 vehicles were co-financed. Through the program's partnership, in 2020, the first electric vehicle repair-training program was created at the ECAUT Production School for 20 students. This training provided young people with additional skills to enter the labor market.

7.3.7.2 Socially responsible educational projects

Literacy

Since 2019, FCA Foundation has supported teaching fellows in disadvantaged public schools in Italy in partnership with Teach for Italy. The program is a partnership with the Italian Ministry for Education, the Turin and Cuneo Provincial Education Authorities and the Tuscan Regional Education Authority. Our grant enabled Teach For Italy to launch its fellowship program and start its operations in Italy. We helped address early school dropout rates and strengthened the Italian education system by investing in innovation and new talent, starting with the most disadvantaged schools in the country. The multi-year grant allowed Teach for Italy to operate in 13 high-need schools in four Italian provinces (Turin, Cuneo, Prato and Rome). In the 2021-2022 school year, the program expanded to 35 fellows impacting almost 3,000 students in 35 schools. The grant also made it possible to prepare fellows for the classroom through a six-week Summer Institute Training program.

Stellantis recognizes that reading is key to learning and the importance of education in helping youth reach their full potential. That is why Stellantis, through its FCA Foundation, teamed with **Beyond Basics** to provide 22 Detroit (U.S.) high school students with intensive reading intervention and literacy enrichment. Professional tutors were matched with students who received five hours in the six-week one-on-one program during class time. In the 2020-2021 school year, the program exceeded its goal that 86% of students improve at least one reading grade level or reach their current grade level, as students improved an average of two grade levels.

Scientific Education

Unveiled in 2019 in Geneva, Switzerland, **CERN** is a Science Gateway project, a hub for scientific education and culture. In 2021, CERN held a first stone ceremony attended by Stellantis Chairman John Elkann, as the next step in the creation of the Science Gateway. Supported by the FCA Foundation, the ambitious and innovative Science Gateway project is expected to raise awareness, curiosity and passion for science in every dimension for the most people possible. CERN will offer a variety of spaces and activities, with exhibitions explaining the secrets of nature, the very small elementary particles and the very large structure and evolution of the universe. The exhibitions will feature CERN's accelerators, experiments and computing, how scientists use them in their exploration and how CERN technologies benefit society. Hands-on experimentation will be a key part of the Science Gateway's educational program, allowing visitors to experience first-hand what it is like to be a scientist. The immersive activities available in the Science Gateway will foster critical thinking, evidence-based assessment and use of the scientific method, which are important tools in all walks of life.

STEM

FCA Foundation has supported **Math Corps**, a six-week summer math and peer mentoring program for Detroit (U.S.) public school students, since 2018. Over the last three years, Foundation grants have supported 1,000 students in the program focused on teaching mathematics while fostering self-worth, strong values and a sense of family. Led by faculty from Wayne State University, students receive personalized tutoring, with an average 50% increase in pretest to posttest scores after just one summer, and with an average of 95% of students going on to college.

Employment development skills

The Advanced Manufacturing Career Academy at Southeastern High School was launched at the beginning of the 2020 fall semester by FCA in partnership with Detroit Public Schools Community District and the City of Detroit (U.S.) This is an education-career pathway program that helps students jump-start their careers in advanced manufacturing and information technology. In 2021, with over 200 ninth grade students enrolled in the program, FCA worked closely with Southeastern High School leadership and the Office of Career and College Readiness to support the Introduction to Advanced Manufacturing curriculum with guest speakers from the Manufacturing and Engineering Departments.

Politecnico di Torino Training and Collaboration was first established in 1999. Stellantis, through FCA, continues its collaboration with **Politecnico di Torino**, investing in education, training and research. The degree program in Automotive engineering now includes lessons with experts in sustainable mobility and artificial intelligence. The agreement encompasses international programs and helps prepare engineers to understand the society for which they are designing, through critical thinking, social responsibility. A total of more than 1,500 students graduated from the Automotive engineering degree program since it launched. 98,3 % of students graduated found a job.

Wingyaan program was launched in 2019, which means "knowledge provides wings to people". Stellantis has continued to support this program, which is a Girl Education and Employability Promotion program, in Pune, India. This program has supported 60 girls between 16 and 19 years old from rural areas since 2019. The girls who were unable to pursue further studies due to social and economic conditions had the opportunity after a two year training program, to obtain a Diploma in Automobiles and Manufacturing Excellence. With this combination of academics and job training, Stellantis gave these girls the opportunity to find employment in the manufacturing and service sector. In 2021, the second group of 30 girl students began the program.

7.3.7.3 Socially emotional projects

Professional and social inclusion

With the support of Stellantis, the project of Vozes Daqui continues. It was launched in 2019 near the Company's plant in Goiana (Brazil). The aim of the project is to offer youth in municipal schools the opportunity to become more active in school and the community while increasing their physical activity and social skills. The project serves nine public schools in the city of Goiana. The schools are selected based on the most critical needs of strengthening the bonds of social inclusion. Despite COVID-19, the project succeeded in renovating two libraries and a sport court. The program benefits approximately 450 students, 25 teachers and managers and 40 community leaders and residents.

Mentoring program

FCA Foundation supported **Big Brothers Big Sisters of Metropolitan Detroit (U.S.)** ↘ one of the oldest and largest youth mentoring organizations in the U.S. Employees were paired with elementary students in metropolitan Detroit for one-on-one virtual mentoring sessions during the 2020-2021 academic year engaging in fun and challenging activities. Since the launch of the program, employees have provided more than 800 volunteer hours to help youth facing adversity. Because of this program, 83% of children are expected to graduate from high school and go on to college as a result of having a supportive mentor.

Stellantis, together with the non-profit association Instituto Árvore da Vida, supports Árvore da Vida (Tree of Life) the social project in the Jardim Teresópolis community, near the Stellantis plant in Betim (Brazil). The program, which began in 2004, aims to promote social, cultural and economic growth of independence and empowerment of local residents while providing support for the children and their families. In this after-school project there are two main areas of focus, one is professional inclusion and the other is social inclusion through cultural development. Children ages 2 to 17 participated in various training programs to prepare them for professional development and employment. The children also participated in cultural activities such as music classes and choir. Youth learn collaboration, teamwork, public speaking and other soft skills. 2021 marked the 17th anniversary of this project. More than 23,300 people have benefited from the program since its inception.

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APPENDIX

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8.1 REPORTING SCOPE AND METHODOLOGY

SASB-000A GRI 102-49

Stellantis consolidates and publishes indicators according to three guiding principles: being transparent, being thorough and providing high-quality information.

The definitions of calculation rules or reference conventions used are international standards. Reference guides specifying the methodologies, definitions and calculation procedures are used by the reporting contributors to ensure the quality and consistency of the consolidated information. Unless otherwise indicated, all data presented in the Report refers to the International System of Units and may be subject to rounding.

Information presented in the this report, follows a Pro Forma approach which has been prepared to give effect to completion of the merger of PSA and FCA to create Stellantis, which was completed on January 17, 2021, as if it had been completed on January 1, 2020.

The normalization factor for manufacturing activities adopted in sections 2.6, 6.4, 6.5 and 6.6 is 5,687 thousand vehicles produced.

In this Report, unless otherwise specified, the terms “we”, “our”, “us”, “its”, “Company” and “Stellantis” refer to Stellantis N.V., together with its subsidiaries and its predecessor prior to the completion of the merger of Fiat Chrysler Automobiles N.V. with Peugeot SA or any one or more of them, as the context may require.

8.1.1 METHODOLOGY FOR BUILDING THE CSR REPORTING PERIMETER

GRI 102-45 GRI 102-46

The CSR scope of reporting is set up from the financial scope of reporting.

The CSR scope of reporting covers the fully consolidated companies (consolidated line by line) and does not consider entities accounted for by the equity method or valued at cost in the consolidated financial statements, except where noted.

Selected entities or specific sites are excluded from the scope of reporting for some CSR issues. This is attributable to the inability to obtain data of satisfactory quality, or to immateriality in relation to the Company as a whole, or to newly-acquired entities or activities that are not yet fully operational, in the start up phase, under dismissal or sold during the reporting year. For this reason, to determine the CSR scope of reporting, different filters are applied.

For more information on Stellantis entities included in the consolidated financial statements, refer to the 2021 Annual Report, available on the website at [this link](#).

For environmental-related information included in sections 2.6 and 6.3-6.7 of this Report, the following definitions are applied:

- manufacturing: relates to plants activities and includes also proving grounds and technical, R&D and ICT centers;
- retail: relates to Company-owned sales and after-sales activities, retail offices (such as import subsidiaries) and logistics activities (spare parts warehouses and distribution centers).

The sites included in the definitions above, are assessed to determine the inclusion in the scope of reporting against specific thresholds based on: number of employees working onsite, size (m²) and other criteria.

A selection of sites in the Retail group, apply a different reporting period (November 1 - October 31) to allow data collection and validation by the time of the release of this Report.

Information related to vehicles and services offered to customers, such as those presented in sections 2.5 and 4.1-4.3 of this Report, may include data on vehicles produced and/or service offered by unconsolidated joint ventures.

References to "customer" as used in this Report refer to the end user of our products or services.

For human resources-related information included in section 3, unless stated otherwise:

- workforce related KPIs do not include 2,101 employees representing 0.7 percent of the total headcount, because they belong to legal entities that are not managed within the HR consolidation tool;

- conversely, one entity representing 83 employees is included, while it has been sold at the end of 2021;
- in addition, close to the end of 2021 the Company established and acquired a group of entities, fully consolidated from an accounting perspective, for which - due to timing constraint - Stellantis was not able to collect information for any of the workforce related KPIs. In 2022, Stellantis will strive to include these new entities in the relevant workforce related KPIs.

8.1.2 BREAKDOWNS OF INFORMATION PROVIDED

Segments

Stellantis activities are carried out through six reportable segments: five regional vehicle segments and Maserati. These reportable segments reflect the operating segments of the Company that are regularly reviewed by the Chief Executive Officer, who is the “chief operating decision maker”, for making strategic decisions, allocating resources and assessing performance, and that exceed the quantitative threshold provided in IFRS 8 – Operating Segments (“IFRS 8”), or whose information is considered useful for the users of the financial statements.

The Company’s five regional vehicle reportable segments deal with the design, engineering, development, manufacturing, distribution and sale of passenger cars, light commercial vehicles and related parts and services in specific geographic areas:

- North America (U.S., Canada and Mexico);
- South America (including Central America and the Caribbean islands);
- Enlarged Europe (primarily the countries of the European Union, United Kingdom and Russia);
- Middle East and Africa (primarily Turkey, Morocco, Egypt and Algeria) and
- China and India & Asia Pacific (Asia and Pacific countries).

The Company's global luxury brand reportable segment, Maserati, deals with the design, engineering, development, manufacturing, worldwide distribution and sale of luxury vehicles under the Maserati brand.

Other activities includes the results of our cast iron and aluminum components business, our financial services activities, as well as the activities and businesses that are not operating segments under IFRS 8.

The breakdown by segments is adopted in a limited set of data within this Report.

Geographical Areas

In order to simplify the understanding of the reader, the majority of information is provided considering the geographical distribution of where activities are located to reflect where impacts occur.

For this reason, the Maserati and Other sectors' information are realigned into the 5 geographic areas:

- North America (U.S., Canada and Mexico);
- South America (including Central America and the Caribbean islands);
- Enlarged Europe (primarily the countries of the European Union, United Kingdom and Russia);
- Middle East and Africa (primarily Turkey, Morocco, Egypt and Algeria) and
- China and India & Asia Pacific (Asia and Pacific countries).

8.2 INDEXES

GRI 102-12

8.2.1 TCFD

The following table provides the correspondence between the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and the content of the present Report.

Thematic	TCFD recommendations	Relevant sections of this CSR Report	Status / Completion level
Governance (G) Disclose the organization's governance around climate-related risks and opportunities.	Ga. Describe the board's oversight of climate-related risks and opportunities.	2.4	
	Gb. Describe management's role in assessing and managing climate-related risks and opportunities.	2.4	
Strategy (S) Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	Sa. Describe the climate-related risks and opportunities the organization has identified over the short-, medium- and long-term.	2.3	
	Sb. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	2.3 / 2.5 / 2.6 / 2.7 Financial elements to be found in Taxonomy section of the Annual Report	
	Sc. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2.3 / 2.5 / 2.6 / 2.7	
Risk management (R) Disclose how the organization identifies, assesses and manages climate-related risks.	Ra. Describe the organization's processes for identifying and assessing climate-related risks.	1.2 / 2.3 and Risk Management section of the Annual Report	
	Rb. Describe the organization's processes for managing climate-related risks.	2.3	
	Rc. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	1.2 / 2.3	
Metrics and targets (M) Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Ma. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	2.5.3 / 2.5.4 / 2.6.3 / 2.6.4 / 2.7.3 / 2.7.4	
	Mb. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2.5.4 / 2.6.4 / 2.7.4	
	Mc. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2.2	

8.2.2 SASB

The following table provides the correspondence between the SASB Transportation Standard index and information disclosed in the present report.

References to the Automotive industry ESG reporting of the SASB (Sustainability Accounting Standards Board) are denoted by: SASB-XXXX.x

	Accounting metric	CODE ¹	2021 results	Relevant sections of this CSR Report
Activity	Number of vehicles manufactured	SASB-000.A	5,687 thousand	8.1
	Number of vehicles sold	SASB-000.B	6,604 thousand ²	2.5.4
Product Safety	Percentage of vehicle models rated by NCAP programs with and overall 5-star safety rating, by region	SASB-250a.1	NA ³	
	Number of safety-related defect complaints, percentage investigated	SASB-250a.2	NA ³	
	Number of vehicles recalled ⁴	SASB-250a.3	3,003 thousand	4.3.7
	a.Mandatory recall		0	4.3.7
b.Voluntary recalls		All 124 recall campaigns carried out in 2021 were voluntary	4.3.7	
Labor Practices	Percentage of active workforce covered under collective bargaining agreements	SASB-310a.1	88%	3.1.4
	Number of work stoppages and total days idle	SASB-310a.2	0	3.1.5

¹The standard codification of the SASB indicators in the format SASB TR-AU-XXXX.x is simplified into SASB-XXXX.x

²Sales figures are "sales to customers" based on Stellantis operational reporting tools

³NA: Information is Not Available

⁴Detail on notable campaigns is available in 4.3.7

	Accounting metric	CODE ¹	2021 results	Relevant sections of this CSR Report
Fuel Economy and Use-phase Emissions	Sales-weighted average passenger fleet fuel economy, by region (gCO ₂ /km, mpg, MJ/km, L/100km)	SASB-410a.1		2.5.4.1
	Europe (gCO ₂ /km)		114.8 g CO ₂ /km	2.5.4.1
	United States (mpg)		27.1 mpg	2.5.4.1
	Brazil (MJ/km)		1.9 MJ/km	2.5.4.1
	China (L/100km)		7.3 L/100km	2.5.4.1
	Number of (1) zero emission vehicles (ZEV), (2) hybrid vehicles, and (3) plug-in hybrid vehicles sold	SASB-410a.2	393,720 ²	2.5.4.2
	zero emission vehicles		206,339	2.5.4.2
	hybrid vehicles		NA: Information is Not Available	
	plug-in hybrid vehicles		187,381	2.5.4.2
	Discussion of strategies and approach to managing fleet fuel economy and emissions risks and opportunities	SASB-410a.3	Disclosed	2.3 / 2.4 / 2.5 / 6.2 and related sub sections
Materials Sourcing	Description of the management of risks associated with the use of critical materials	SASB-440a.1	Disclosed	6.1.3 / 7.1.3 / 7.2.3
Materials Efficiency and Recycling	Total amount of waste from manufacturing (tons), percentage recycled (%)	SASB-440b.1	273,850 66%	6.4.2 / 6.4.4.1 / 6.4.5
	Weight of end-of-life material recovered (tons)	SASB-440b.2	40,996 87%	6.1.7.5
	Percentage recycled (%) ³			
	Average recyclability of vehicles sold (percentage %) by sales-weighted metric tons(Gt) ⁴	SASB-440b.3	All the Company's vehicles in Europe are 95% recoverable and 85% recyclable	6.1.7.4

¹The standard codification of the SASB indicators in the format SASB TR-AU-XXXX.x is simplified into SASB-XXXX.x

²Sum of zero emission vehicles and plug-in hybrid vehicles

³Official information from French Authorities on French scope only. Data is only available with 1.5 years delay

⁴Official information from Europe only

8.2.3 ISO 26000

The following table provides the correspondence between the Core subjects of ISO 26000 and the content of the present Report.

The items required by ISO 26000 standard are indicated hereinafter using the following icon: Stake 1, Stake 2...etc.

Core subjects and issues/challenges		Relevant sections of this CSR Report
Core subject	Organizational governance	1.3 / 2.4 / 3.1.4 / 3.2.4 / 3.3.4 / 3.4.4 / 4.1.4 / 4.2.4 / 4.3.4 / 5.1.3 / 5.2.4 / 5.3.4 / 6.1.4 / 6.2.4 / 6.3.1 / 7.1.4 / 7.2.4 / 7.3.4
Core subject	Human rights	7.1 / 7.2
Stake 1	Due diligence	6.2.3.2 / 7.1.8.1 / 7.2.4 / 7.2.6 / 7.2.7 / 5.1.4.1 / 8.3
Stake 2	Human rights risk situations	7.2.7 / 7.2.8
Stake 3	Avoidance of complicity	7.1.5 / 7.1.7 / 7.2.4 / 7.2.5 / 7.2.6 / 7.2.7
Stake 4	Resolving grievances	-
Stake 5	Discrimination and vulnerable groups	7.1.7 / 7.2.7
Stake 6	Civil and political rights	3.1.4 / 3.1.5 / 3.3.5
Stake 7	Economic, social and cultural rights	3.3.5
Stake 8	Fundamental principles and rights at work	3.1.4 / 3.1.5 / 7.2
Core subject	Labor practices	3
Stake 9	Employment and employment relationships	3
Stake 10	Conditions of work and social protection	3.2.7 / 3.4.8
Stake 11	Social dialogue	3.1 / 3.3.5 / 3.4.5
Stake 12	Health and safety at work	3.4
Stake 13	Human development and training in the workplace	3.2.2 / 3.2.6 / 3.2.7.1
Core subject	The environment	2 / 6
Stake 14	Prevention of pollution	2 / 6
Stake 15	Sustainable resource use	6.1 / 6.4 / 6.6
Stake 16	Climate change mitigation and adaptation	2
Stake 17	Protection of the environment, biodiversity and restoration of natural habitats	6.7.4 / 6.7.4.1 / 6.7.5

Core subjects and issues/challenges		Relevant sections of this CSR Report
Core subject	Fair operating practices	5 / 7
Stake 18	Anti-corruption	5.1 / 7.1
Stake 19	Responsible political involvement	5.1.4.2
Stake 20	Fair competition	5.1
Stake 21	Promoting corporate responsibility in the value chain	1
Stake 22	Respect for property rights	5.1 / 5.2
Core subject	Consumers issues	4 / 5.2 / 5.3
Stake 23	Fair marketing, factual and unbiased information and fair contractual practices	5.3
Stake 24	Protecting consumer health and safety	4.3 / 6.2 / 6.3 / 6.5 / 6.6 / 6.7
Stake 25	Sustainable consumption	2.5 / 6.1 / 6.4 / 6.6
Stake 26	Consumer service, support and complaint and dispute resolution	4.2
Stake 27	Consumer data protection and privacy	5.2
Stake 28	Access to essential services	4.1.7.2
Stake 29	Education and awareness	5.3
Core subject	Communities and local development	7
Stake 30	Community involvement	7.1 / 7.2 / 7.3
Stake 31	Education and culture	7.1.7.2 / 7.3
Stake 32	Employment creation and skills development	3.1 / 3.2 / 7.1 / 7.2 / 7.3
Stake 33	Technology development and access	2.5.2 / 2.5.3.2
Stake 34	Wealth and income creation	7
Stake 35	Health	3.4 / 7.3.6 / 7.3.7
Stake 36	Social investment	3.4.7 / 3.4.8 / 7.3

8.2.4 GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX




This report has been prepared in accordance with the GRI Sustainability Reporting Standards published in 2016 (Core option), modified in 2018 and 2020.

The items required by GRI standards are indicated in this report using the following icon: GRI XXX-XX

Selected information has been validated by the independent audit firm Grant Thornton (see detailed report in [section 8.4](#) >).

GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
GENERAL DISCLOSURES		
GRI 102: General Disclosures	Organizational profile	
	102-1 Name of the organization	8.5
	102-2 Activities, brands, products, and services	1.1.1
	102-3 Location of headquarters	8.5
	102-4 Location of operations	1.1.1 / 1.1.2
	102-5 Ownership and legal form	8.5
	102-6 Markets served	1.1.2
	102-7 Scale of the organization	1.1.1
	102-8 Information on employees and other workers	3.1.7 / 3.3.8
	102-9 Supply chain	7.1.3
	102-10 Significant changes to the organization and its supply chain	1.1.1 / 7.1.3
	102-11 Precautionary principle or approach	2.4.2
	102-12 External initiatives	8.2
	102-13 Membership of associations	5.1.5 / 7.1.1 / 7.2.3 / 7.2.7
	Strategy	
	102-14 Statement from senior decision-maker	0.2 message from chairman and CEO
	102-15 Key impacts, risks and opportunities	2.3.1.2 / 3.1.3 / 3.2.3 / 3.3.3 / 3.4.3 / 4.1.3 / 4.2.3 / 4.3.3 / 5.1.5 / 5.2.3 / 5.3.3 / 6.1.3 / 6.2.3 / 6.4.3 / 6.5.3 / 6.6.3 / 6.7.3 / 7.1.3 / 7.2.3 / 7.3.3



GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
GRI 102: General Disclosures	Ethics and integrity	
	102-16 Values, principles, standards and norms of behavior	5.1.4.1 / 5.3.7
	102-17 Mechanisms for advice and concerns about ethics	5.3.4
	Governance	
	102-18 Governance structure	1.3.2 and in the Corporate Governance section of the Annual Report
	102-19 Delegating authority	1.3.3 / 2.4.1.
	102-20 Executive-level responsibility for economic, environmental and social topics	1.3.3 / 2.4.1
	102-21 Consulting stakeholders on economic, environmental and social topics	1.1.3
	102-22 Composition of the highest governance body and its committees	5.1.3.1 / 5.1.3.3
	102-23 Chair of the highest governance body	1.3.2 and in the Corporate Governance section of the Annual Report
	102-24 Nominating and selecting the highest governance body	1.3.2 / 5.1.3.1
	102-25 Conflicts of interest	7.1.8.1
	102-26 Role of highest governance body in setting purpose, values and strategy	1.3.2
	102-27 Collective knowledge of highest governance body	5.1.3.1
	102-28 Evaluating the highest governance body's performance	5.1.3.2
	102-29 Identifying and managing economic, environmental and social impacts	1.2.2 / 1.3.2 / 5.1.3.3
	102-30 Effectiveness of risk management processes	1.2.3
	102-31 Review of economic, environmental and social topics	1.2.3
	102-32 Highest governance body's role in sustainability reporting	1.3.2
	102-33 Communicating critical concerns	7.2.7
	102-34 Nature and total number of critical concerns	7.2.7
	102-35 Remuneration policies	2.4.3 / 3.2.5 / 5.1.3.2 / and Remuneration report section in the Annual Report
	102-36 Process for determining remuneration	2.4.3 / 5.1.3.2 / and Remuneration report section in the Annual Report
	102-37 Stakeholders' involvement in remuneration	Remuneration report section in the Annual Report
	102-38 Annual total compensation ratio	Remuneration report section in the Annual Report
	102-39 Percentage increase in annual total compensation ratio	Remuneration report section in the Annual Report

GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
GRI 102: General Disclosures	Stakeholder engagement	
	102-40 List of stakeholder groups	1.1.3
	102-41 Collective bargaining agreements	3.1.4 / 3.1.5
	102-42 Identifying and selecting stakeholders	1.1.3
	102-43 Approach to stakeholder engagement	3.1.1 / 3.2.7.1 / 3.4.1 / 5.1.4.1 / 7.1.5 / 7.2.1 / 7.3.3
	102-44 Key topics and concerns raised Reporting practice	1.1.3
	102-45 Entities included in the consolidated financial statements	8.1.1
	102-46 Defining report content and topic Boundaries	8.1.1
	102-47 List of material topics	1.2.1
	102-48 Restatements of information	Not applicable
	102-49 Changes in reporting	8.1
	102-50 Reporting period	8.5
	102-51 Date of most recent report	8.5
	102-52 Reporting cycle	8.5
	102-53 Contact point for questions regarding the report	8.5
	102-54 Claims of reporting in accordance with the GRI Standards	8.2.4
	102-55 GRI content index	8.2.4
	102-56 External assurance	8.3
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	1.1.4
	201-2 Financial implications and other risks and opportunities due to climate change	1.1.4
	201-3 Defined benefit plan obligations and other retirement plans	3.2.6 / 3.2.7.4 and Note 20. Employee benefits liabilities in the Annual Report 
	201-4 Financial assistance received from government	1.1.4.6 and Government grants in Notes to the consolidated financial statements in the Annual Report 
GRI 203: Indirect economic impacts	203-1 Infrastructure investments and services supported	1.1.4
	203-2 Significant indirect impacts	1.1.1 / 1.1.4
GRI 413: Local communities	413-2 Operations with significant actual and potential negative impacts on local communities	6.3.3.2 / 6.6.1 / 6.6.4 / 6.6.5 / 6.7.4 (partially disclosed)
GRI 419: Socioeconomic compliance	419-1 Non compliance with laws and regulations in the social and economic area	2.5.3.1 / 3.1.7 / 3.3.7 / 5.1.4.3 / 5.2.7 / 5.3.2 and Legal Proceedings section in the Annual Report 


GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
MATERIAL TOPICS		
Vehicle CO₂ emissions		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	2.5
	103-2 The management approach and its components	2.5.1 / 2.5.2
	103-3 Evaluation of the management approach	2.5.3 / 2.5.4
GRI 302: Energy	302-2 Energy consumption outside the organization	2.3
	302-5 Reductions in energy requirements of products and services	2.5.3 / 2.5.3.2.3 / 2.5.3.2.4 / 2.5.3.3 / 2.5.3.4
GRI 305: Emissions	305-3 Other indirect (Scope 3) GHG emissions	2.5.4 / 2.7
	305-5 Reduction of GHG emissions	2.5.1 / 2.5.2.2.
Industrial and sites carbon footprint		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	2.6.1
	103-2 The management approach and its components	2.6.1 / 2.6.2 / 2.6.3.2
	103-3 Evaluation of the management approach	2.6.3 / 2.6.4
GRI 302: Energy	302-1 Energy consumption within the organization	2.6.3.1 / 2.6.4.2
	302-3 Energy intensity	2.6.4.1
	302-4 Reduction of energy consumption	2.6.3.3 / 2.6.3.4
GRI 305: Emissions	305-1 Direct (scope 1) GHG emissions	2.6.3.1 / 2.6.4.1
	305-2 Energy indirect (scope 2) GHG emissions	2.6.3.1 / 2.6.4.1
	305-4 GHG emissions intensity	2.6.3.1
	305-5 Reduction of GHG emissions	2.6.3.2
Carbon footprint of the supply chain: purchasing and logistics		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	2.7.1
	103-2 The management approach and its components	2.7.1 / 2.7.2
	103-3 Evaluation of the management approach	7.1.4
GRI 302: Energy	302-2 Energy consumption outside of the organization	2.7.3 / 2.7.4
GRI 305: Emissions	305-3 Other indirect (scope 3) GHG emissions	2.7
	305-4 GHG emissions intensity	2.7.3 / 2.7.4
	305-5 Reduction of GHG emissions	2.7.3.2
GRI 308: Supplier environmental assessment	308-1 New suppliers that were screened using environmental criteria	7.1.7.3
	308-2 Negative environmental impacts in the supply chain and actions taken	2.7.3.2 / 7.1.8.1

GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
Management of Company transformations and social dialogue		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	3.11
	103-2 The management approach and its components	3.1.3 / 3.1.4 / 3.1.5 / 3.1.6
	103-3 Evaluation of the management approach	3.1.7 / 3.1.8
GRI 401: Employment	401-1 New employee hires and employee turnover	3.1.7 / 3.1.8 / 3.2.3
GRI 402: Labor management relations	402-1 Minimum notice periods regarding operational changes	3.1.4
GRI 412: Human rights assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	partially disclosed in 3.1.5 and on going measurement
	412-2 Employees training on human rights policies or procedures	3.2.6
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	partially disclosed in 7.2.1, referring to purchase contracts which include such clauses. The agreements are not disclosed (confidentiality constraints)
GRI 407: Freedom of association and collective bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3.1.4 / 3.1.7 / 7.1.8.1 / 7.2.7
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	3.1.4 / 3.4.4
Attracting and developing all talents		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	3.2.1 / 3.2.2
	103-2 The management approach and its components	3.2.3 / 3.2.4 / 3.2.5 / 3.2.6
	103-3 Evaluation of the management approach	3.2.7 / 3.2.8
GRI 202: Market presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	3.2.8
	202-2 Proportion of senior management hired from the local community	partially disclosed (global data available) in 3.3.8
GRI 401: Employment	401-1 New employee hires and employee turnover	3.1.7 / 3.1.8 / 3.2.3
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	not available

GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
GRI 404: Training and education	404-1 Average hours of training per year per employee	3.2.6
	404-2 Programs for upgrading employee skills and transition assistance programs	3.2.7.1
	404-3 Percentage of employees receiving regular performance and career development reviews	3.2.7.1
Diversity and equal opportunity		
GRI 103: anagement approach	103-1 Explanation of the material topic and its boundary	3.3.1 / 3.3.2
	103-2 The management approach and its components	3.3.3 / 3.3.4 / 3.3.5 / 3.3.6
	103-3 Evaluation of the management approach	3.3.7
GRI 401: Employment	401-3 Parental leave	3.3.7
GRI 405: Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	3.3.7 / 3.3.8
	405-2 Ratio of basic salary and remuneration of women to men	3.2.8 / 3.3.8 / 5.1.3.1
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	3.3.7
Health, safety and well-being in the workplace		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	3.4.1 / 3.4.2
	103-2 The management approach and its components	3.4.3 / 3.4.4 / 3.4.5 / 3.4.6
	103-3 Evaluation of the management approach	3.4.6 / 3.4.7
GRI 403: Occupational health and safety	403-1 Occupational health and safety management system	3.4.4
	403-2 Hazard identification, risk assessment, and incident investigation	3.4.6 / 3.4.7
	403-3 Occupational health services	3.4.6
	403-4 Worker participation, consultation, and communication on occupational health and safety	3.4.5 / 3.4.6
	403-5 Worker training on occupational health and safety	3.4.6 / 3.4.7
	403-6 Promotion of worker health	3.4.5 / 3.4.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	not available: there is an action plan to have this information globally collected.
	403-8 Workers covered by an occupational health and safety management system	3.4.4 / 3.4.5
	403-9 Work-related injuries	3.4.7 / 3.4.8
	403-10 Work-related ill health	3.4.8

GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
Development of new mobility solutions (including autonomous vehicles)		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	4.1.1 / 4.1.2
	103-2 The management approach and its components	2.3.1.2 / 2.4.2 / 2.4.3 / 4.1.3 / 4.1.4 / 4.1.5 / 4.1.6.1 / 4.1.6.2
	103-3 Evaluation of the management approach	4.1.6 / 4.1.7
Vehicle and service quality - customer satisfaction		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	4.2.1 / 4.2.2
	103-2 The management approach and its components	4.2.3 / 4.2.4 / 4.2.5 / 4.2.6
	103-3 Evaluation of the management approach	4.2.6 / 4.2.7
Vehicle Safety		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	4.3.1
	103-2 The management approach and its components	4.3.3 / 4.3.5
	103-3 Evaluation of the management approach	4.3.7
GRI 416: Customer health and safety	416-1 Assessment of the health and safety impacts on product and service categories	4.3.6 / 4.3.7
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	4.3.7
Ethics in governance and business practices		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	5.1.1 / 5.1.2 / 5.1.5
	103-2 The management approach and its components	5.1.3 / 5.1.4
	103-3 Evaluation of the management approach	5.1.5 / 5.1.6
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	5.1.6 (partially disclosed) Risk Related to our Business, Strategy and Operations section and NFI section in the Annual Report 
	205-2 Communications and training about anti-corruption policies and monopoly practices	3.2.6 / 5.1.4.1 / 7.1.5
	205-3 Confirmed incidents of corruption and actions taken	not disclosed (confidentiality constraints)
GRI 206: Anti-competitive behavior	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Legal proceedings section of the Annual Report 
GRI 415: Public policy	415-1 Political contributions	5.1.4.2

GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
Responsible management of personal information		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	5.2.1 / 5.2.2
	103-2 The management approach and its components	5.2.3 / 5.2.4 / 5.2.5 / 5.2.6
	103-3 Evaluation of the management approach	5.2.7
GRI 418: Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	5.2.7
Responsible information to customers		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	5.3.1 / 5.3.2
	103-2 The management approach and its components	5.3.3 / 5.3.4 / 5.3.5 / 5.3.6
	103-3 Evaluation of the management approach	5.3.7
GRI 417: Marketing and labelling	417-1 Requirements for product and service information and labelling	5.3.1 (partially disclosed)
	417-2 Incidents of non-compliance concerning product and service information and labelling	5.3.2
	417-3 Incidents of non-compliance concerning marketing communications	5.3.2
Wise use of materials in the vehicle life cycle (including product recycling)		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	6.1.1 / 6.1.2
	103-2 The management approach and its components	6.1.1 / 6.1.3 / 6.1.5
	103-3 Evaluation of the management approach	6.1.7
GRI 301: Materials	301-1 Materials used by weight or volume	6.1.8
	301-2 Recycled input materials used	6.1.7.4
	301-3 Reclaimed products and their packaging materials	6.1.5
Vehicle impact on air quality		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	6.2.1 / 6.2.2
	103-2 The management approach and its components	6.2.3 / 6.2.4 / 6.2.5 / 6.2.6
	103-3 Evaluation of the management approach	6.2.7

GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
Optimization of material cycles in manufacturing processes (including waste)		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	6.4.1
	103-2 The management approach and its components	6.4.2 / 6.4.3
	103-3 Evaluation of the management approach	6.4.4.1 / 6.4.4.2.1 / 6.4.5
GRI 301: Materials	301-2 Recycled input materials used	6.4.4.2.1
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	6.4.1 / 6.4.3
	306-2 Management of significant waste related impacts	6.1.7 / 6.4.3.2 / 6.4.4.1 / 6.4.4.2
	306-3 Waste generated	6.4.5
	306-4 Waste diverted from disposal	6.4.4.2.2 / 6.4.5
	306-5 Waste directed to disposal	6.4.5
Control of industrial discharges and nuisances		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	6.5.1 / 6.5.2
	103-2 The management approach and its components	6.5.3
	103-3 Evaluation of the management approach	6.5.4 / 6.5.5
GRI 305: Emissions	305-6 Emissions of ozone-depleting substances (ODS)	6.5.4.1 / 6.5.5
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	6.5.4.1 / 6.5.5
GRI 307: Environmental compliance	307-1 Non-compliance with environmental laws and regulations	Legal proceedings section of the Annual Report 
Sustainable water management in manufacturing		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	6.6.1
	103-2 The management approach and its components	6.6.1 / 6.6.2 / 6.6.3
	103-3 Evaluation of the management approach	6.6.4.1
GRI 303: Water and effluents	303-1 Interactions with water as a shared resource	6.6.4.1 / 6.6.5
	303-2 Management of water discharge-related impacts	6.6.4.1
	303-3 Water withdrawal	6.6.1 / 6.6.4.1 / 6.6.4.2 / 6.6.5
	303-4 Water discharge	6.6.1 / 6.6.4.1 / 6.6.4.2 / 6.6.5
	303-5 Water consumption	6.6.1 / 6.6.4.1 / 6.6.4.2 / 6.6.5


GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
Protection of biodiversity		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	6.7.1 / 6.7.2
	103-2 The management approach and its components	6.7.3
	103-3 Evaluation of the management approach	6.7.4
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas, and areas of high biodiversity value outside protected areas	6.7.5
	304-2 Significant impacts of activities, products, and services on biodiversity	6.7.4 / 6.7.5
	304-3 Habitats protected or restored	6.7.4.1 / 6.7.5
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	not available
Responsible purchasing practices (including local sourcing development) to support the Company's development in host territories		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	7.1.1 / 7.1.2
	103-2 The management approach and its components	7.1.3 / 7.1.4 / 7.1.5 / 7.1.6
	103-3 Evaluation of the management approach	7.1.7
GRI 412: Human rights assessment	412-2 Employee training on human rights policies or procedures	3.2.6 / 7.1.7.1
GRI 414: Supplier social assessment	414-1 New supplier that were screened using social criteria	7.1.5 / 7.1.7.3
	414-2 Negative social impacts in the supply chain and actions taken	7.1.7.3 / 7.1.8
GRI 204: Procurement practices	204-1 Proportion of spending on local suppliers	not available

GRI Standard	GRI Indicators	Section number(s) and/or URL(s)
Human rights in the supply chain		
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	7.2.1
	103-2 The management approach and its components	7.2.3 / 7.2.4 / 7.2.5
	103-3 Evaluation of the management approach	7.1.7
GRI 407: Freedom of association and collective bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	7.1.8 / 7.2.3 / 7.2.7
GRI 408: Child labor	408-1 Operations and suppliers at significant risk for incidents of child labor	7.1.8 / 7.2.3 / 7.2.7
GRI 409: Forced or compulsory labor	409-1 Operations and suppliers at significant risk for incidents of forced and compulsory labor	7.1.8 / 7.2.3 / 7.2.7
GRI 410: Security practices compulsory labor	410-1 Security personnel trained in human rights policies or procedures	not available
GRI 411: Rights of indigenous peoples	411-1 Incidents of violations involving rights of indigenous peoples	not available
GRI 414: Supplier social assessment	414-1 New suppliers that were screened using social criteria	7.1.5 / 7.1.7.3
	414-2 Negative social impacts in the supply chain and actions taken	7.1.7.3 / 7.1.8
Philanthropic actions to support communities		
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	7.3.5
	103-2 The management approach and its components	7.3.4 / 7.3.5 / 7.3.6
	103-3 Evaluation of the management approach	7.3.3 / 7.3.6 / 7.3.7
GRI 203: Indirect economic impacts	203-1 Infrastructure investments and services supported	7.3.6
	203-2 Significant indirect impacts	7.3.6
GRI 413: Local communities	413-1 Operations with local community engagement, impact assessments and development programs	7.3.4 / 7.3.7

8.2.5 UN GLOBAL COMPACT PRINCIPLES INDEX WITH RELATED GRI CODES

Areas	Principles	GRI codes	Section number(s) and/or URL(s)
1. Human rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	410-1	7.1.7.1
		411-1	Not available
		412-1	Partially disclosed: 3.1.5
		412-2	3.2.6 / 7.1.7.1
		413-1	3.2.4 / 7.3.4 / 3.1.4/ 7.3.7
		413-2	Partially disclosed: 6.3.3.2 / 6.6.1 / 6.6.4 / 6.6.5 / 6.7.4
		414-2	7.1.7.3 / 7.1.8 / 7.2.7
2. Labor standards	2. Business should make sure that they are not complicit in human rights abuses	412-2	3.2.6 / 7.1.7.1
		412-3	Partially disclosed: 7.2.1
		414-1	7.1.5 / 7.1.7.3
		414-2	7.1.7.3 / 7.1.8 / 7.2.7
	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	102-41	3.1.4 / 3.1.5
		402-1	3.1.4
		407-1	7.1.8 / 7.2.7
	4. Businesses should uphold the elimination of all forms of forced compulsory labour;	409-1	7.1.8 / 7.2.3 / 7.2.7
	5. Businesses should uphold the effective abolition of child labor	408-1	7.1.8 / 7.2.3 / 7.2.7
	6. Businesses should uphold the elimination of discrimination in respect of employment and occupation	102-8	3.1.7 / 3.3.8
202-1		3.2.8	
202-2		Partially disclosed: 3.3.8	
401-1		3.1.7 / 3.1.8 / 3.2.3	
401-3		3.3.7	
404-3		3.2.7.1	
405-1		3.3.8	
405-2	5.1.3.1		
406-1	3.3.7		

Areas	Principles	GRI codes	Section number(s) and/or URL(s)
3. The environment	7. Businesses should support a precautionary approach to environmental challenges	201-2 301-1 302-1 303-1 305-1 305-2 305-3 305-6 305-7	1.14 6.1.8 2.5.3.2.2 / 2.6.3.1 / 2.6.4.2 1.1.3 / 6.6.4.1 / 6.6.5 2.6.3.1 / 2.6.4.1 2.6.3.1 / 2.6.4.1 2.7 6.5.4.1 / 6.5.5 6.5.4.1 / 6.5.5

Areas	Principles	GRI codes	Section number(s) and/or URL(s)
	8. Business should undertake initiatives to promote greater environmentally- friendly	301-1	6.1.8
		301-2	6.1.7.4 / 6.4.4.2.1
		301-3	2.6.3.2 / 2.7.1 / 2.7.3.3 / 6.1.5
		302-1	2.5.3.2.2 / 2.6.3.1 / 2.6.4.2
		302-2	2.3 / 2.7.3 / 2.7.4
		302-3	2.6.4.1
		302-4	2.6.3.3/ 2.6.3.4
		302-5	2.5.3/ 2.5.3.2.3/2.5.3.2.4/2.5.3.3
		303-1	1.1.3 / 6.6.4.1 / 6.6.5
		303-2	6.6.4.1
		303-3	6.6.1 / 6.6.4.1 / 6.6.4.2 / 6.6.5
		304-1,	6.7.5
		304-2	6.7.4 / 6.7.5
		304-3	6.7.4.1 / 6.7.5
		304-4	Not available
		305-1	2.6.3.1 / 2.6.4.1
		305-2	2.6.3.1 / 2.6.4.1
		305-3	2.7
		305-4	2.6.3.1 / 2.7.3 / 2.7.4
		305-5	2.5.1 / 2.5.2.2 / 2.6.3.2 / 2.7.3.2
		305-6	6.5.4.1 / 6.5.5
		305-7	6.5.4.1 / 6.5.5
		306-1	6.4.1 / 6.4.3
		306-2	6.1.7 / 6.4.3.2 / 6.4.4.1 / 6.4.4.2
		306-3	6.4.5
		306-4	6.4.4.2.2 / 6.4.5
		306-5	6.4.5
		307-1	Legal proceedings section of the Annual Report 
		308-1	7.1.7.3
		308-2	2.7.3.2 / 7.1.8.1














Areas	Principles	GRI codes	Section number(s) and/or URL(s)
	9. Business should encourage the development and diffusion of environmentally friendly technologies	302-4 302-5 305-5	2.6.3.3 / 2.6.3.4 2.5.3 / 2.5.3.2.3 / 2.5.3.2.4 / 2.5.3.3 2.5.1 / 2.5.2.2 / 2.6.3.2 / 2.7.3.2
4. Anti-corruption	10. Businesses should work against corruption in all its forms, including extortion and bribery	102-16 102-17 205-2 205-3 413-2 415-1	5.1.4.1 / 5.3.7 5.3.4 3.2.6 / 5.1.4.1 / 7.1.5 Not available (confidentiality constraints) Partially disclosed: 6.3.3.2 / 6.4.1 / 6.6.1 / 6.7.4 5.1.4.2

8.2.6 DPEF

The DPEF index declined below sets out the requirements of Articles L. 225-102-1 and R. 225-105 et seq. of the French Commercial Code which transpose the Directive 2014/95/EU on non-financial reporting, in force since the 2018 financial year and demands to provide Non-Financial Information (NFI) (“Déclaration de Performance Extra Financière” in French).













The requirements of Articles L. 225-102-1 and R. 225-105 et seq. of the French Commercial Code are classified below, accordingly three types of icon¹:

- DPEF.A for Stellantis business model;
- DPEF.B for the description of the main Corporate Social Responsibility risks inherent in Stellantis activity;
- DPEF.X for the other indicators, including three indicators, with anticipation to the future Decree of application to Law No. 2018 -938 of October 30, 2018–art 55 for the balance of trade relations in the agricultural and food sectors and healthy, sustainable and accessible food for all, and Law No. 2018-898 of October 23, 2018 for the fight against fraud. They are featured at the end of the index and have modified article L. 225-102-1 of the French Commercial Code.















Expected	Codification of the DPEF indicators	CSR Report (relevant sections)	Degree of response ²
The Company's business model	DPEF.A	1.1.1.	
Main risks inherent in the Company's activity	DPEF.B	1.2.1 / 2.3 / 3.1.3 / 3.2.3 / 3.3.3 / 3.4.3 / 4.1.3 / 4.2.3 / 4.3.3 / 5.2.3 / 5.3.3 / 6.1.3 / 6.2.3 / 6.4.3 / 6.5.3 / 6.6.3 / 6.7.3 / 7.1.3 / 7.2.3 / 7.3.3	
1° SOCIAL INFORMATION			
a) Employment			
Total workforce	DPEF.1.a	1.1.2 / 3.1.7 / 3.3.8	
Employees by gender	DPEF.1.b	3.1.7 / 3.1.8 / 3.3.8	
Employees by age	DPEF.1.c	3.1.7 / 3.1.8 / 3.3.8	
Employees by geographical segment	DPEF.1.d	3.1.7 / 3.1.8 / 3.2.8 / 3.3.8 / 3.4.8	
Hirings	DPEF.2.a	3.1.7	
Dismissals	DPEF.2.b	3.1.8	
Compensation and changes therein	DPEF.3	3.2.8	
b) Work arrangements			
Organisation of working hours	DPEF.4	3.1.7 / 3.4.7	
Absenteeism	DPEF.5	3.4.8	
c) Health and safety			
Health and safety conditions in the workplace	DPEF.6	3.4.1 / 3.4.3 / 3.4.4 / 3.4.5 / 3.4.6 / 3.4.7	
Workplace accidents, particularly their frequency and severity, along with occupational illnesses	DPEF.7	3.4.3 / 3.4.8	

¹ Déclaration de Performance Extra-Financière (DPEF).













² The reporting status indicates a response by Stellantis to each of the 45 DPEF topics and the coverage rate for this response among the relevant subsidiaries.

Expected	Codification of the DPEF indicators	CSR Report (relevant sections)	Degree of response ¹
d) Industrial relations			
Organisation of social dialogue, especially procedures for informing, consulting and negotiating with personnel	DPEF.8	3.1.2 / 3.1.3 / 3.1.4 / 3.1.5 / 3.1.7 / 3.1.8	
Summary of labor agreements, in particular relating to workplace health and safety	DPEF.9	3.1.5 / 3.3.5 / 3.3.7 / 3.4.5	
e) Training			
Training policies put into practice, specifically those relating to environmental protection expected	DPEF.10	3.2.5 / 3.2.6 / 3.2.7.1 / 3.2.7.3 / 3.2.7.4 / 3.3.7 / 3.4.5 / 3.4.6 / 4.3.7 / 5.1.4 / 6.3.3.2 / 7.1.7.1	
Total number of hours of training	DPEF.11	3.2.6	
f) Non-discrimination			
Measures taken to ensure gender equality	DPEF.12	1.1.4 / 3.3.6 / 3.3.7	
Measures taken to ensure the hiring and integration of persons with disabilities	DPEF.13	3.3.7	
Anti-discrimination policy	DPEF.14	3.1.7 / 3.3.5 / 5.1.4 / 7.1.5	
2° ENVIRONMENTAL INFORMATION			
a) General environmental policy			
The organization of the Company so as to take environmental questions into consideration and, where appropriate, carrying out environmental assessment or certification initiatives	DPEF.15	2.3 / 2.4 / 2.5.1 / 6.3.2.2	
Resources committed to preventing environmental risks and pollution	DPEF.16	2.5.2.2 / 2.5.3 / 2.6.2 / 6.1.6 / 6.1.7 / 6.2.6 / 6.2.7 / 6.3.3.2	
The amount of the provisions and warranties made for environmental risks, provided this information is not of a nature that might be seriously adverse to the Company in a current legal dispute	DPEF.17	note 21. Provisions of the Annual Report 	
b) Pollution			
Measures to prevent, reduce or repair emissions into the air, water or ground that seriously affect the environment	DPEF.18	6.5.4 / 6.5.5 / 6.6.4 / 6.6.5	
Handling all types of pollution specific to an activity, in particular sound and light pollution	DPEF.19	6.5.4 / 6.5.5 / 6.6.4 / 6.6.5	

¹The reporting status indicates a response by Stellantis to each of the 45 DPEF topics and the coverage rate for this response among the relevant subsidiaries.

Expected	Codification of the DPEF indicators	CSR Report (relevant sections)	Degree of response ¹
c) The circular economy			
I) Waste prevention and management			
Measures to prevent, recycle, reuse and recover or eliminate waste	DPEF.20	6.1.7 / 6.4.4.2 / 6.4.5	
Actions to combat food waste	DPEF.21	7.3.7	
II) Sustainable use of resources			
Water consumption and sourcing in light of local constraints	DPEF.22	6.6.4.1 / 6.6.4.2	
Consumption of raw materials and measures taken to use them more efficiently	DPEF.23	6.1.7 / 6.1.8	
Consumption of energy, measures taken to improve energy efficiency and use of renewable energy	DPEF.24	11.4.6 / 2.1 / 2.5.2 / 2.5.3.2.3	
Use of land	DPEF.25	11.4.6 / 6.4.2 / 6.5.4.2	
d) Climate change			
Significant greenhouse gas emissions due to the Company's activity, notably through the use of goods and services it produces	DPEF.26	2.3 / 2.6.3.1	
Measures taken to adapt to the consequences of climate change	DPEF.27	2.5.2.1 / 2.5.2.2 / 2.5.3 / 2.5.3.2.2 / 2.6 / 2.7.3.1	
The voluntary medium and long-term targets set to reduce greenhouse gas emissions and the relevant resources implemented	DPEF.28	2.2	
e) Protection of biodiversity			
Measures taken to preserve or restore biodiversity	DPEF.29	6.7.4 / 6.7.5	
3° SOCIETAL INFORMATION			
a) Corporate sustainable development commitment			
The impact of the Company's activity on employment and local development	DEPF.30	1.3.1 / 3.1.7 / 7.1.1	
The impact of the Company's activity on neighboring or local residents	DEPF.31	6.5.4.1 / 6.5.4.2	
Relations with stakeholders and means of dialogue with them	DEPF.32	11.3 / 11.4 / 1.2.2 / 1.3.3 / 2 / 2.5.3.2 / 2.7.3.1.1 / 3.1.1 / 3.1.5 / 3.1.7 / 3.2.5 / 3.2.7.1 / 3.4.3 / 3.4.7 / 4.3.3 / 4.3.6 / 5.1.1 / 5.1.3.3 / 5.1.4 / 5.1.4.1 / 5.1.4.3 / 5.1.5 / 5.2.7 / 5.3.1 / 5.3.7 / 6.1.3 / 6.2.6 / 6.7.1 / 6.7.3.2 / 7.1.1 / 7.1.4 / 7.1.5 / 7.1.6 / 7.1.7.2 / 7.2.1 / 7.2.3 / 7.2.5 / 7.2.7 / 7.3.3 / 7.3.7	
Support, partnerships and philanthropy provided	DEPF.33	7.3.6 / 7.3.7	

¹The reporting status indicates a response by Stellantis to each of the 45 DPEF topics and the coverage rate for this response among the relevant subsidiaries.

Expected	Codification of the DPEF indicators	CSR Report (relevant sections)	Degree of response ¹
b) Subcontractors and suppliers			
Consideration given to social and environmental issues in procurement policies	DPEF.34	1.3.1 / 2.5.1 / 2.6.1 / 3.1.5 / 3.2.5 / 3.3.5 / 3.4.5 / 4.1.5 / 4.2.5 / 4.3.5 / 5.1.4 / 5.2.5 / 5.3.5 / 6.1.5 / 6.2.5 / 6.3.2 / 7.1.5 / 7.2.5 / 7.3.5	
Inclusion of social and environmental responsibility in subcontractor and supplier relationships	DPEF.35	7.1.5 / 7.1.7.1 / 7.1.7.2 / 7.1.7.3 / 7.2.3 / 7.2.5 / 7.2.7	
c) Fair operating practices			
Measures taken benefiting the health and safety of consumers	DPEF.36	3.4.4 / 3.4.5 / 3.4.6 / 3.4.7 / 3.4.8	
Anti-corruption actions	DPEF.37	3.2.6 / 5.1.4.1 / 5.1.6 / 7.1.5 / 7.1.5 / 7.1.8	
4° INFORMATION ABOUT INITIATIVES TO PROTECT HUMAN RIGHTS			
a) Promotion and observance of the core conventions of the International Labor organization:			
With respect for freedom of association and the right to collective bargaining	DPEF.38	3.1.4 / 3.1.5 / 3.3.4 / 3.3.5 / 7.1.5 / 7.1.8 / 7.2.5	
Eliminating discrimination in terms of hiring and occupation	DPEF.39	1.1.4.3 / 3.1.7 / 3.2.8 / 3.3.1 / 3.3.5 / 3.3.7 / 7.1.5 / 7.2.5	
Eliminating forced or compulsory labor expected	DPEF.40	3.1.7 / 7.1.1 / 7.1.5 / 7.1.8 / 7.2.1 / 7.2.3 / 7.2.5 / 7.2.7	
The effective abolition of child labor	DPEF.41	3.1.7 / 7.1.1 / 7.1.5 / 7.1.8 / 7.2.1 / 7.2.5 / 7.2.7	
b) Other actions undertaken to protect human rights	DPEF.42	3.2.6	
Most recent additional requirements included in article L. 225-102-1 modified in autumn 2018			
Fighting food insecurity	DPEF.43	7.3.7	
Respect for animal welfare	DPEF.44	7.1.5 / 7.2.5	
Fighting tax evasion	DPEF.45	5.1.4.3	

¹The reporting status indicates a response by Stellantis to each of the 45 DPEF topics and the coverage rate for this response among the relevant subsidiaries.

8.3 VIGILANCE PLAN

OBJECT OF THE VIGILANCE PLAN

Pursuant to French Act No. 2017-399 of 27 March 2017 on the duty of vigilance, the vigilance plan set out in this section includes reasonable measures of vigilance designed to identify risks and prevent serious breaches of human rights and fundamental freedoms, and to ensure the health and safety of persons and of the environment, arising from:

- the activities of subcontractors or suppliers (supply chain),
- the operation of the Company and its subsidiaries,
- the use of products and services marketed by the Company.

METHODOLOGY

While building its materiality matrix, the Company identified 6 macro-risks, divided into 22 CSR issues. The Company relied on an external third party to ensure fair and rigorous rating of each of the 22 CSR issues according to a uniform methodology.

Analysis of CSR risks were carried out with a double materiality approach: both potential impacts of the Company’s activity on the stakeholders (including the environment) and impacts of external environmental and social factors on the Company’s activity were considered and assessed.

The findings were submitted to Company’s stakeholders’ appraisal through interviews of a representative sample of our customers, employees, investors, suppliers and communities, identified based on their credibility and relevance toward our activities. Stellantis materiality matrix has been approved by the Board of Directors, prior to the public release of the Annual Report. The materiality matrix is also detailed in this CSR Report (for more information [refer to section 1.2.2](#) >).

12 out of the 22 CSR issues were selected to be included in the vigilance plan, according to the following rule.

A CSR issue is included in the vigilance plan if:

- it has an impact on human rights and fundamental freedoms **HR** and/or on the health and safety of persons **H&S** and/or on the environment **ENV**, in compliance with the French law on the Duty of vigilance; and
- it is classified as “Strategic CSR issue” or “Significant CSR issue” in Stellantis’ materiality matrix ([see section 1.2.2](#) >).

The 12 CSR issues selected to be included in the vigilance plan are split within the 3 perimeters of activities:

SUPPLY CHAIN	OPERATION OF THE COMPANY	USE OF PRODUCTS AND SERVICES
<ul style="list-style-type: none"> ■ ENV CSR issue #3: Carbon footprint of supply chain: Purchasing and Logistics > ■ HR ENV H&S CSR Issue #20: Responsible purchasing practices to support the company’s development in host territories > ■ HR H&S CSR issue #21: Human rights in the supply chain CSR > 	<ul style="list-style-type: none"> ■ HR CSR Issue #4: Management of company transformation and social dialogue > ■ HR CSR Issue #6: Diversity and equal opportunity > ■ H&S CSR Issue #7: Health and safety at workplace > ■ ENV CSR Issue #2: Industrial and sites carbon footprint > ■ ENV H&S CSR Issue #17: Control of industrial discharges and nuisances > 	<ul style="list-style-type: none"> ■ ENV CSR Issue #1: Vehicle CO₂ emissions > ■ H&S CSR Issue #10: Vehicle safety > ■ ENV H&S CSR Issue #14: Wise use of material > ■ ENV H&S CSR issue #15: Vehicle impact on air quality >

To ensure transparency, Stellantis presents for each of these CSR issues the successive measures of its vigilance plan¹:

Measure No. 1: Risk mapping designed to identify, analyze and classify risks

Measure No. 2: Procedures for regular assessment of the situation in connection with risk mapping

Measure No. 3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)

Measure No. 4: A mechanism for alerting and for gathering reports on the existence or materialization of risks

Measure No. 5: A system for monitoring measures implemented and for assessing their effectiveness

Information included in this section refers to the 2021 Financial Year.

Additional information on matters included in this Vigilance Plan is publicly available in the various sections of the 2021 CSR Report.

8.3.1. THE ACTIVITIES OF SUBCONTRACTORS OR SUPPLIERS (SUPPLY CHAIN)

Stellantis has a direct contractual relationship with more than 2,000 tier-1 suppliers in direct material, with a supply base in 60 countries and worldwide purchase value of more than €82 Billion (7.1.3 >).

CSR ISSUE #3: Carbon footprint of supply chain: Purchasing and Logistics

Measures	Process, main actions and results
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<ul style="list-style-type: none"> ▪ Stellantis uses risk analysis (mapping) to identify and prioritize actual or potential CSR incidents in the supply chain such as environmental topics. ▪ We have opted to identify CSR risk by commodity for both direct and indirect material purchases. The methodology used is based on and incorporates third-party assessment ratings, such as EcoVadis Rating Framework: <ul style="list-style-type: none"> • supplier CSR performance assessments entered in the EcoVadis database. ▪ more than 88,500 suppliers have been assessed on their CSR performance in the EcoVadis database, an increase of approximately 13,500 suppliers vs 2020. <ul style="list-style-type: none"> ▫ in 2021, the average environmental score in EcoVadis of Stellantis suppliers was 53.4, outperforming all suppliers assessed by EcoVadis, which had an average score of 43.8. In 2021, 2,561 supplier groups were assessed, corresponding to more than 80% of the Annual Purchased Value. • collection of additional information from sources including unions, NGOs, media or data-collection specialists available for review.
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> ▪ Stellantis is utilizing the CDP Supply Chain module as CDP is the most recognized global carbon accounting initiative and has the biggest network and impact. CDP is an organization which supports companies to disclose environmental impacts. It aims to make environmental reporting and risk management a business norm, and drive disclosure, insight and action towards a sustainable economy. This initiative promotes awareness among suppliers of their impact on the climate, particularly regarding greenhouse gas emissions and provides detailed information on the suppliers' level of emissions as well as reduction targets and commitments. This program allows to understand deeply several aspects including the management, the targets and the results of individual CO₂ emissions of all major CO₂ emitting suppliers of Stellantis. • Stellantis is collecting a status report from its major suppliers on their current and future CO₂ emissions and implementing a reduction plan by inviting them annually to participate in the Stellantis CDP Supply Chain program. <ul style="list-style-type: none"> ▫ 265 suppliers have been invited to participate to the CDP Supply Chain module in 2021, with a response rate of 84% and an average score C ▪ Stellantis' climate change objectives are translated into contractual commitments according to the CO₂ emissions generated and the type of materials used.

¹ Art L225 - 102 - 4 - 1 of the French Commercial Code requires a Vigilance Plan comprises these 5 measures



Measures	Process, main actions and results
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<ul style="list-style-type: none"> ▪ Selection of suppliers according to environmental criteria such as: <ul style="list-style-type: none"> • the ISO 14001 certification, or the capacity of suppliers to develop products which incorporate green or recycled materials. <ul style="list-style-type: none"> ▫ In 2021, 62% of direct material suppliers have ISO 14001 certifications available. • The compliance with the Paris Agreement to define and track alignment with a clear roadmap of how to attain carbon neutrality target. <ul style="list-style-type: none"> ▫ By 2025, Stellantis aims to have 80% of its Annual Purchased Value (APV) coming from suppliers with CO₂ reduction trajectories compliant with the Paris Agreement. The share is then expected to increase to 95% by 2030 and to contribute to the carbon net zero with single-digit % of compensation objectives in 2038. ▫ as of 2021, more than 55% of our most important suppliers (based on APV) commit to a CO₂ reduction trajectory which complies with the Paris Agreement. • In case of insufficient performance or nonconformities, suppliers are requested to report on their actions in Corrective Action Plans, that get shared with Stellantis and monitored. • A specific policy is defined to reduce GHG emissions from logistics and identify areas of improvement and actions needed. • In order to secure the supply of critical materials needed to produce LEVs, it is necessary to have supporting contracts and relationships with our supply chain to procure the needed raw materials which will also reinforce the strategy for emissions reduction. <ul style="list-style-type: none"> ▫ Stellantis, as of 2021, is engaged in joint innovation projects with 29 suppliers to identify and implement technologies that reduce CO₂ emissions of the vehicles as well as in the production of parts
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<p>Refer to the paragraph “Reporting concerns - Integrity Helpline” within section 8.3.4 ></p>
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> ▪ Stellantis' climate change objectives are translated into contractual commitments via specifications and purchasing policies according to two different criteria: the CO₂ emissions generated and the type of materials used. Regarding CO₂ emissions linked to the Company's purchases from suppliers, the Purchasing and Supply Chain Division challenges its suppliers to establish and work according to an emission reduction plan at least compliant with the Paris Agreement and to be aligned with Stellantis climate ambitions. <ul style="list-style-type: none"> • In 2021, 49% of the Company's suppliers set up a reporting process for energy consumption or greenhouse gas emissions. Stellantis is placing particular emphasis on CO₂ emissions linked to some specific commodities covering around 80% of the CO₂ emission footprint of the supply chain. ▪ Furthermore, suppliers also have a key role to play in our commitments on reducing hazardous substances in two main areas: first, the elimination of four heavy metals (lead, mercury, cadmium and hexavalent chromium), and second, compliance with REACH regulations based on the recommendations issued by ACEA, of which Stellantis is a member. ▪ Stellantis also created a specific environmental network in the Logistics Department to focus on the reduction of the logistics carbon impact and waste reduction roadmap

CSR ISSUE #20: Responsible purchasing practices to support the company’s development in host territories

Measures	Process, main actions and results
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<p>Stellantis uses risk analysis (mapping) to identify and prioritize actual or potential CSR incidents in the supply chain such as environmental, social and ethical topics. Where risk is identified, Stellantis has a prevention system to implement and monitor specific action plans with involved suppliers to prevent or mitigate any impact on the supply chain.</p> <p>The Company identified the following potential risks in the supply chain among others:</p> <ul style="list-style-type: none"> ▪ complexity of extended supply chains: we might face concerns regarding human rights violations, market tensions, geopolitical disruptions, natural disasters and availability of natural resources, among others. ▪ environmental impacts from operations and natural disasters within the supply chain: starting from raw materials through to the production of goods and services, environmental impacts need to be appropriately addressed with robust standard operating procedures. <p>We have opted to identify CSR risk by commodity for both direct and indirect material purchases. The methodology used is based on and incorporates third-party assessment ratings, such as EcoVadis Rating Framework:</p> <ul style="list-style-type: none"> ▪ CSR risk profiles on internal commodities were developed. ▪ CSR risk profiles by country based on the EcoVadis list that includes 207 categories for 175 countries were developed. ▪ supplier CSR performance assessments were entered in the EcoVadis database.
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<p>Stellantis implements an approach based on continuous risk assessment with the objective of reducing exposure to risk:</p> <ul style="list-style-type: none"> ▪ To support the supplier assessment process on CSR criteria and make it more robust, Stellantis has embarked on an assessment of its Tier 1 supply base using criteria related to the environment, workforce, ethics and subcontracting chain supplier. It has outsourced this assessment to an independent external company, EcoVadis. The first step was to identify supplier risks more precisely. Stellantis informed its suppliers that this evaluation was a prerequisite for the placement of future business, and to remain on the supplier panel. Stellantis requires its existing suppliers to be reassessed each year to continuously improve their CSR performance. <ul style="list-style-type: none"> • more than 88,500 suppliers assessed in 2021, an increase of approximately 13,500 suppliers since 2020. ▪ The selection of suppliers is based on their adherence to social, ethical and environmental principles while maintaining high standards of quality and taking care of the communities where we do business. <ul style="list-style-type: none"> • ISO 14001 certification of suppliers is conducted via a Sustainability Assessment Questionnaire review <ul style="list-style-type: none"> ▫ In 2021, 62% of direct material suppliers have ISO 14001 certifications available. ▪ Audit activities are conducted to confirm compliance and discover areas for development and improved performance via an action plan. ▪ To make sure that our principles are duly met, we conduct targeted audits where risks are identified. ▪ These audits are conducted for suppliers identified as risky according to three CSR criteria: countries (non-signatory country or country with questionable governance), products (inherently risky, such as promotional items) or processes (manufacturing processes involving hazardous substances). ▪ The external auditor creates an audit report for each audit. The report describes non-compliances and grades them according to four classifications: critical, core, minor and observations only, each requiring corrective action plans. ▪ An audit checklist is used covering CSR policy, working conditions, workplace health and safety, environment, and supplier CSR management system. <ul style="list-style-type: none"> • 35 audits performed by SGS for Tier 1 supplier social and environmental audits in 2021.





Measures	Process, main actions and results
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<ul style="list-style-type: none"> ▪ Stellantis follows the due diligence approach advocated by the Organization for Economic Co-operation and Development (OECD). The Company has set up its Responsible Purchasing Guidelines in compliance with International Labor Organization (ILO) rules. In this guideline, the Company encourages its suppliers to be vigilant for CSR risks within their supply chain. ▪ Stellantis has a direct contractual relationship with more than 2,000 tier-1 suppliers in direct material. It requires all of them to meet the CSR commitments set out in its Responsible Purchasing Guidelines. ▪ Supplier briefings are held each month to provide suppliers with CSR updates, communicate the Company’s CSR expectations and inform them of legal and regulatory developments in CSR matters. ▪ Stellantis has introduced a comprehensive toolkit to measure the social and environmental performance of its suppliers and to identify any shortcomings or risks. The suppliers questioned or audited systematically receive an analysis of their performance. A corrective action plan is automatically required for suppliers that do not receive a score that meets the standards set by Stellantis. ▪ Suppliers that do not improve or collaborate with Stellantis might ultimately be excluded from the Stellantis’s supplier panel. ▪ CSR performances are measured by EcoVadis, an independent rating agency that specializes in responsible purchasing, Stellantis business clients can therefore demonstrate their own commitment to responsible purchasing. <ul style="list-style-type: none"> • Targets on % Annual Purchase Value (APV) purchased from Tier 1 suppliers evaluated on CSR are: <ul style="list-style-type: none"> ▫ 2025: 90% of APV of direct material (parts) ▫ 2030: 95% of APV of direct material (parts) and 75% of APV of indirect material ▫ 2050: Maintain 95% of APV for direct material and reach 90% APV for indirect material • 2021 results are: <ul style="list-style-type: none"> ▫ 2,561 Tier 1 suppliers groups were assessed by EcoVadis and NQC, which accounts for more than 83% of the value of direct purchases ▫ 71% Overall Supplier Sustainability score is classified as Good (ratings higher than 45 Points); ▪ The supplier training curriculum covers subjects related to purchasing, quality, supply chain management, manufacturing, finance and engineering. There are dedicated classes on sustainability-related topics. The Company’s ambition is to train 90% of the suppliers in CSR risks and the Stellantis requirements by 2025. <ul style="list-style-type: none"> • In 2021 buyer training included 4 training events • More than 80% of suppliers trained on Stellantis CSR risks and requirements.
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<ul style="list-style-type: none"> ▪ Stellantis reinforces that employees, suppliers, dealers, consumers and other stakeholder can and should report any concerns of alleged situations, events, or actions that may have been inconsistent with the Stellantis Code of Conduct ▪ Stellantis receives input from NGOs and actively collaborates with them on a partnership level. <ul style="list-style-type: none"> • For example, we collaborate with selected NGOs on mica and leather programs. Additionally, a partnership with RCS Global, a responsible sourcing advisory and audit firm was established. ▪ The Company also collect additional information from sources including unions, NGOs, media or data-collection specialists available for review. ▪ In addition of the elements mentioned just before, also refer to the paragraph “Reporting concerns - Integrity Helpline” within section 8.3.4 >



Measures	Process, main actions and results
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> ▪ Governance is in place with monthly Purchasing and Supply Chain Leadership Team Meetings, hosted by the Chief Global Purchasing and Supply Chain Officer to monitor supplier CSR performance during sourcing. ▪ To support the direction of the GPSC, the Global Purchasing and Supply Chain EVP is a direct report to the CEO, and a member of the Top Executive Team, and as such, a member of the Company’s strategy council. ▪ The monitoring of CSR issues related to supply chain management is of high importance to Stellantis. We are vigilant with the implementation of measures within our sphere of influence. All these goals, practices and responsibilities are globally common in all our locations and countries we operate in and for all suppliers within our worldwide network that we deal with. ▪ Whenever a supplier is identified as noncompliant with the requirements of the Responsible Purchasing Guidelines, the Company requires the supplier to launch corrective action plans. ▪ If no satisfactory solution can be found to a critical or core noncompliance, a disengagement plan may be put in place. <ul style="list-style-type: none"> • 18% of the total assessed suppliers, consisting of 464 suppliers, have a corrective action plan; • 93% of the total on-site audited suppliers, consisting of 70 suppliers, are working on corrective action plans as a result of their audits.

CSR ISSUE #21: Human rights in the supply chain



Measures	Process, main actions and results
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<p>Mapping of material risks for both current and forecasts, is performed according to specific criteria for each raw material. Some of the criteria include:</p> <ul style="list-style-type: none"> ▪ significant contribution to develop existing technologies. ▪ scarcity and geographic location. ▪ social and environmental impacts including recyclability and extraction or production conditions. ▪ geopolitical or logistic accessibility. ▪ cost and share of Stellantis needs compared to global market demand and market players. <p>Stellantis uses risk analysis (mapping) to identify and prioritize actual or potential human rights incidents in the supply chain.</p> <ul style="list-style-type: none"> ▪ We have opted to identify human rights risk by commodity for both direct and indirect material purchases. The methodology used is based on and incorporates third-party assessment ratings, such as EcoVadis Rating Framework: <ul style="list-style-type: none"> • human rights risk profiles on internal commodities were developed. • human rights risk profiles by country based on the EcoVadis list that includes 206 categories for 144 countries were developed. • supplier human rights performance assessments were entered in the EcoVadis database. ▪ Stellantis is an early supporter of Vine - RCS Global online due diligence management platform for supply chain traceability - which allows the Company to identify, review and analyze human rights risks and respond rapidly to critical risks where they are identified. ▪ Stellantis is working to increase transparency of relationships throughout the extended supply network by partnering with service providers for supply chain mapping <ul style="list-style-type: none"> • In 2021, Stellantis extended its partnership with the responsible sourcing advisory, traceability technology and audit firm RCS Global, for a multi-material supply chain program covering battery materials including cobalt, lithium, graphite, and nickel.



Measures	Process, main actions and results
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> ▪ To help companies address these challenges, the Responsible Minerals Initiative (RMI) has developed the Risk Readiness Assessment, which addresses environmental, social and governance risks present in the global supply chain. This tool can help improve supply chain transparency and mapping to mitigate undesirable practices as they relate to Conflict Minerals, cobalt and other raw materials. ▪ To support the supplier assessment process on human rights criteria and make it more robust, Stellantis has embarked on an assessment of its Tier 1 supply base using criteria related to workforce and subcontracting chain. It has outsourced this assessment to an independent external company, EcoVadis. <ul style="list-style-type: none"> • With an average overall Human Rights section score of 53.2, suppliers working with Stellantis outperformed all suppliers assessed by EcoVadis, who have an average score of 46.6. • Based on EcoVadis assessment, there are 333 suppliers for which corrective action plans have been developed for Human Rights issues, which is 13% of the total assessed or audited suppliers. ▪ In addition to the human rights assessment, on-site audits are performed on suppliers at risk by certified auditors from distinguished external assessment bodies. <ul style="list-style-type: none"> • In 2021 we have partnered with SGS for these audit activities. Guidance is provided via program documentation that includes the supplier kick-off notification, audit checklist and closure debrief. • In 2021, with RCS Global, we apply due diligence on human rights with our critical suppliers regarding cobalt and lithium supply chains by conducting external on-site audits. <ul style="list-style-type: none"> ▫ 75 external social and environmental on-site audits conducted and 40 audits by RCS Global for the battery supply chain from Tier 1 to mine sites. ▪ Stellantis suppliers are required to complete our customer specific requirements which includes adherence to our Responsible Purchasing Guidelines, Corporate Social Responsibility recommendations and required actions.
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<ul style="list-style-type: none"> ▪ 2,561 supplier groups are covered by a CSR assessment performed by an external third-party including human rights criteria. Part of the expectation is that the management of the extended supply chain has appropriate measures to identify, mitigate and monitor potential human rights issues. Stellantis conducts an annual mapping for the source of essential materials for electric vehicle battery manufacturing. ▪ The reports of audit conducted by RCS describe non compliances on human rights and grades them according to four classifications: critical, core, minor and observations only, each requiring corrective action plans. <ul style="list-style-type: none"> • After the audit of suppliers, the corrective action plans are monitored to ensure that the identified concerns are resolved. Additional follow-up visits may be required to confirm evidence onsite. • In 2021 Critical Supplier Audits, 47 observations and non compliances related to human rights¹ out of which 0 critical non compliances. ▪ Supplier briefings are held each month to provide suppliers with human rights updates, communicate the Company's human rights expectations and inform them of legal and regulatory developments in human rights matters. Risk prevention on human rights takes place in the day-to-day relationship between buyers and suppliers. ▪ Stellantis has been a supporter of the 2021 release of the Global Workplace Standard for Mica Processors, used predominantly in surface coatings. This Standard addressed social obligations covering a range of labor practices such as age of employment, fair working hours, minimum wages and overtime, grievance mechanisms, freedom of association and diversity provisions, including women's rights and under-represented communities. ▪ To require, monitor and control the total respect for Human Rights along the entire global supply chain process, Stellantis commitment and results are: <ul style="list-style-type: none"> • Targets on average Human Rights scores of Stellantis Tier-1 suppliers are: <ul style="list-style-type: none"> ▫ in 2025: increase of +2.5% vs score as of 01/01/21; in 2030: Increase of +5% vs score as of 01/01/21; in 2050: in top level performance category. • In 2021, the increase in performance is of 2.7%. ▪ Stellantis is a member of Drive Sustainability. This association provides greater engagement with other OEMs, as well as access to additional tools and resources. In 2021 we worked to revise the Guiding Principles which outline expectations for suppliers on key responsibility issues including human rights and working conditions. ▪ Training for buyers and suppliers on human rights. <ul style="list-style-type: none"> • The supplier training curriculum covers sustainability-related topics such as responsible working conditions and conflict minerals. • Stellantis pays particular attention to supplier training and provides them with tools that enable them to rapidly identify and react to risk situations. Suppliers have access to e-learning on human rights principles to evaluate and improve their performance and how to build robust internal processes supporting human rights. <ul style="list-style-type: none"> ▫ In 2021, buyer training included two training events covering human rights topics.

¹ Uphold freedom of association and the effective recognition of the right to collective bargaining; Elimination of any forms of forced or compulsory labor; Zero-tolerance of child labor; Elimination of discrimination in terms of employment and occupation; Anti-corruption measures and the prevention of conflicts of interest; Labor organization and disciplinary practice




Measures	Process, main actions and results
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<ul style="list-style-type: none"> Stellantis receives input from NGOs and actively collaborates with them on a partnership level. For example, we collaborate with a selected NGO on human rights issues related to mica supply. In addition of the elements mentioned just before, also refer to the paragraph "Reporting concerns - Integrity Helpline" within section 8.3.4
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> Our Conflict Minerals program is managed by regional and subsidiary conflict minerals team members. The Stellantis conflict mineral supplier submission status is tracked and communicated by the purchasing organization to ensure that any needed escalation efforts are deployed quickly. The purchasing commodity directors are involved in escalation activities with the supply base, as needed, to reinforce the importance of providing due diligence evidence to support Stellantis' legal requirements. The Conflict Minerals Reporting Template (CMRT) that is provided by the RMI is requested from the in-scope suppliers using the 3TG metals (tungsten, tantalum, tin and gold). If there are concerns regarding the sourcing of raw materials, the suppliers must address the concerns and potentially set up alternative sources. The Company thus seeks to exercise its duty of care and foster sustainable procurement. <ul style="list-style-type: none"> 92% in-scope suppliers for parts containing tin, tantalum, tungsten and gold have submitted the required CMRT The conflict minerals program management team is responsible for generating the annual in-scope supplier list that identifies which suppliers are required to provide the Conflict Minerals Reporting Template (CMRT). <ul style="list-style-type: none"> The list of parts for products containing tin, tantalum, tungsten and gold is provided from regional technical contacts upon request. Once the Conflict Minerals data collection process begins, the designated members are required to track supplier submissions and provide updates so that progress reports can be presented to the purchasing management team. If a supplier is unresponsive, they will be placed into the escalation process which includes notifying the buyer and their management as appropriate.

8.3.2. THE OPERATION OF THE COMPANY

Stellantis has 281,595 employees worldwide, operations in 37 countries and a commercial presence in 130 markets.

CSR ISSUE #4: Management of Company transformation and social dialogue

Measures	Process, main actions and results 
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<p>The automotive industry is transitioning at high speed under the pressure of the energy transition, digital innovations and changes in societal expectations. It is also creating a strong demand for attention and protection by employees and stakeholders .</p> <p>This transformation has direct consequences on Stellantis business model and human capital and has led the company to identify and analyze the following types of risks:</p> <ul style="list-style-type: none"> ▪ Labor related risks: changes in applicable regulations and industry organization reinforce the need to adapt the company’s ways of working and organization with its stakeholders. ▪ Operational risks could occur in case of lack of specialized skills on areas of expertise on most material matters which influence company’s ability to prepare for the upcoming challenges. ▪ Reputational risks in the event of strikes, social movements, legal actions, employee dissatisfaction, etc.
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<p>Stellantis transformation</p> <ul style="list-style-type: none"> ▪ Stellantis talent development practices have been focused on: <ul style="list-style-type: none"> • Leveraging cultural diversity to make intercultural a competitive advantage, • Management training, to prepare managers for the new challenges of the Company, • Strengthening the identification and development of talent, through the implementation of a digital strategy and the exploitation of data. <ul style="list-style-type: none"> ▪ A digital barometer delivered by Stellantis Global Learning team evaluates the level of knowledge in the Company: employees can afterwards access content to learn, according to their results and opportunities for development. ▪ Stellantis has designed and implemented a strategy based on Job Families, which gathers common skills and jobs pursuing the same business purpose. This allows a robust governance and deliverables based on Strategic skills management, Job mapping/catalog, Identification/assessment and reskilling/upskilling of employees for new technical skills. ▪ Stellantis Learning Team is benchmarking and designing a new set of KPIs for a more comprehensive view of the impact of learning to be deployed along 2022. <p>Stellantis social dialogue</p> <ul style="list-style-type: none"> ▪ First Stellantis Global Employee Survey will take place in 2022. It will help understand employee perceptions and feedback on engagement, motivation and inclusive culture, and take appropriate actions to address any areas of concern.



Measures	Process, main actions and results
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<p>Stellantis transformation</p> <ul style="list-style-type: none"> ▪ Stellantis has adopted a global operating model, with responsibilities at local and corporate level. ▪ Succession planning activities ensure availability of appropriate talent to fill critical or strategic managerial roles, by (i) forecasting future growth of employees and identifying the most talented employees within the Company, (ii) searching for diverse profiles and experiences, (iii) assigning young talent to key positions, (iv) supporting new businesses, (v) protecting knowledge and know-how, (vi) promoting and developing local skills objectifying and rewarding performance. ▪ Collaboration with academic and scientific research institutions contribute to the development of next generation skills and the empowerment of talented people who will lead the automotive industry in the next decades. ▪ Programs based on the rotation of talent from one team to another allowing the acquisition of a wide experience are offered for several key functions in the Company, including engineering, manufacturing, finance, purchasing and commercial groups. Over 500 employees have participated in one of the projects based or rotational development programs, in 2021. ▪ Stellantis Learning Team keeps up expanding its digital training catalog through two Learning Management Systems: 58% of training hours were attended via digital learning. ▪ Stellantis intends to create a software and data academy to retrain more than 1,000 internal engineers in multiple roles and develop its software community. The Company has a plan to hire top software and AI talent from technology and other industries globally. <p>Stellantis social dialogue</p> <ul style="list-style-type: none"> ▪ Co-construction with the social partners is promoted by Stellantis to build a responsible relationship based on trust and transparency and to support the Company's transformation. <ul style="list-style-type: none"> • We target 90% of countries covered by collective agreements in 2024 and 95% in 2030. In 2021, we reached 86%. • Our electrification process relies on a strong inclusive strategy, among others battery repair and reuse. It will create workforce opportunities for our five gigafactories managed through dedicated Joint Ventures, 21 e-repair centers, and our battery expertise center in Germany. ▪ To be prepared for impacts of the intensification of electrification on the labor relationship and workforce, Stellantis: <ul style="list-style-type: none"> • relies on dialogue with employees and employee representative institutions to communicate, support and anticipate the transformation. • creates conditions for employees to develop competencies. In 2021: <ul style="list-style-type: none"> ▫ 36,320 employees were trained on electrification-related topics within several professions and 81,606 hours of training delivered. ▫ An engineering program was designed and delivered by the technical training teams, focused on 3 themes (connectivity, electrification and automation of vehicles), all carried out with internal specialist trainers, mostly identified within the Product Development Technical Careers Community. • anticipates the needs of skills to fulfil the operational objectives ▪ Freedom of Association is respected, protects and promotes the fundamental labor rights of employees namely, and the right to collective bargaining. <ul style="list-style-type: none"> • 91.5% of employees are represented by trade unions or employee representatives • 467 collective agreements were signed worldwide and 241,125 employees accounting for 87% of the workforce are covered by collective agreement (3.1.4) • No major strikes took place within Stellantis in 2021
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<ul style="list-style-type: none"> ▪ All employee representatives can exercise vigilance and can report non-compliance, and their opinion is regularly solicited on the application of the agreement's commitments. ▪ Each month, representatives from about 30 countries participate to a poll and share about working rhythm and atmosphere, manufacturing and sales activities, Unions activities and local policies. ▪ In addition of the elements mentioned just before, refer to the paragraph "Reporting concerns - Integrity Helpline" within section 8.3.4.



Measures	Process, main actions and results
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> ▪ The Stellantis Social Relation strategy is global and approved by the Top Executive team. The Executive Vice-President for Human Resources and Transformation is a member of the Strategic Committee and the owner of the strategic ESG issue/challenge “Management of company transformations and social dialogue”. He is responsible for the oversight of the Freedom of Association and the right to collective bargaining. <p>Stellantis transformation</p> <ul style="list-style-type: none"> ▪ The Leadership Academy, part of Learning and Diversity team delivers special programs for managers, to mobilize them and to tackle the business and the transformation of the Company. ▪ Our Business Factory gives employees a chance to dare by experimenting with new businesses that are often different from their area of expertise. ▪ To ensure availability of skills and competencies: the Top Executive Team reviews and approves the top layers of the organization, working on building, refining and improving the structure of the teams. <p>Stellantis social dialogue</p> <ul style="list-style-type: none"> ▪ Dialogue social and co-construction with employees' representatives contributes to reassure on Stellantis ability to manage the Company's transformation and facilitate relationships with unions and public authorities. ▪ A dedicated department to the workforce and labor relations has been created at corporate level to lead and coordinate the Employment and Social relations strategy for Stellantis, while a similar organization structure has been implemented at regional level, to increase coordination and efficiency.

CSR ISSUE #6: Diversity and equal opportunity



Measures	Process, main actions and results
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<ul style="list-style-type: none"> ▪ If we take no action relating to Diversity and Inclusion (D&I), or if our actions do not align with our commitments, then we are subject to, amongst others, the following risks: <ul style="list-style-type: none"> • Inability to attract talent leading to lack of diverse representation, hindering innovation and our ability to meet our customers' needs; • Potential of non-compliance with local regulations and employee claims on the grounds of discrimination or harassment; • Difficulties when trying to build a global multi-cultural organization; • Difficulties when trying to integrate new generations; • Reduced levels of employee motivation, with a potential impact on productivity.
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> ▪ Our first Stellantis Global Employee Survey will take place in early 2022. This will allow us to understand employee perceptions and feedback on engagement, well-being, motivation, and inclusive culture, and adopt appropriate actions to address any areas of concern.




Measures


Process, main actions and results

3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)

- Our Diversity and Inclusion strategy is founded on clear principles, which ensure that basic human rights and dignity remain paramount, regardless of the country or region in which we operate:
 - Respect for human values;
 - Respect for local traditions and and culture of the countries in which we operate;
 - Finding common ground.
- These principles are reinforced through commitments outlined in collective agreements, established in collaboration with our social partners.
- Our Code of Conduct affirms our commitment to maintain a fair and inclusive workplace, free of discrimination or harassment. It also states our commitment to compliance with all applicable local laws, with some commitments going beyond legislative requirements.
- Stellantis has signed up to the UN Women’s Empowerment Principles. With this commitment, the Company shares its intention to adopt business practices that support gender equality and empower women within the Stellantis organization, globally and across the automotive industry. These include, among others, processes to ensure equity and fairness in the determination of compensation levels, annual salary reviews and promotions. In view of its traditionally male sector of activity, the Company considers the gender balance of its core businesses and key positions as a fundamental objective.
 - We target a workforce gender balance (% women in leadership position, N1-N2-N3) of 28% in 2025, 35% in 2030 and 40% in 2040. In 2021, we reached 24%.
 - Comparison of average wages for men and women in 2021: 94%.
- A proportion of the Company’s Learning and Development budget is dedicated to learning interventions related to Diversity and Inclusion. We provide employee trainings such as Unconscious Bias, Preventing Discrimination and Harassment. Work is ongoing on the creation of a bespoke Stellantis Diversity and Inclusion education and awareness program.
- Through a comprehensive Intercultural Learning and Awareness Program, we ensure that employees are equipped with the knowledge and skills to work with colleagues in a multicultural working environment. We have created an internal information hub dedicated to Intercultural Awareness.
- Through Mentoring and Reverse Mentoring programs we ensure knowledge and experience are shared between generations within the workplace. In addition, the Company has programs in place to attract the next generation of talent. In 2021, the Company welcomed 4,462 work-study program participants and 4,013 interns.
- Stellantis supported the establishment of a wide range of Employee Resource Groups (ERG) that undertake mentoring and networking events and community outreach initiatives. The ‘Women’s Alliance’ of former FCA and ‘Women Engaged in PSA’ are working to create the ‘Women of Stellantis’ group, that focuses on promoting gender equality within the workplace. The following BRG are also active: Asians Connected Together (ACT), the DIVERSE-abilities Network (DaN), the Indigenous Cultural Opportunity Network (ICON), Latins in Connection (LinC), Middle Eastern Employees Together (MEET), the Prism LGBTQ+ Alliance, the Stellantis African Ancestry Network Diaspora (STAAND), the Stellantis Veterans Group, Women in Manufacturing (WiM), and the Working Parents Network (WPN).
- In the United States, Stellantis has developed several programs and policies specifically supporting ethnically underrepresented populations. In 2021, two leadership development programs, focused on Black and Multicultural talent, were launched to prepare emerging diverse talent for leadership opportunities. Additionally, diversity targets were established and tracked for senior leadership, as well as top management
- Stellantis policy regarding social and occupational inclusion of people with disabilities is enacted worldwide through various collective agreements with the goal of keeping workers with disabilities employed, carrying out preventive actions and promoting their integration into the workplace. In 2021, in North America, Stellantis earned 90%, a top score on the annual Disability Equality Index (DEI), a comprehensive benchmarking tool that helps companies build focused and measurable strategies that support disability inclusion and equality in the workplace.


Measures	Process, main actions and results 
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<ul style="list-style-type: none"> ▪ Employees who have experienced or witnessed acts of workplace harassment, discrimination or bullying are encouraged to report this through a number of reporting channels, including their direct supervisor/Line Manager, the Human Resources function, the Compliance or Legal Departments, and a dedicated Whistleblower Line (refer to the paragraph “Reporting concerns - Integrity Helpline” within section 8.3.4). ▪ In 2021, a total of 891 cases of workplace harassment, discrimination or violence were processed.
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> ▪ The Global Diversity Council is chaired by the Chief Executive Officer (CEO) and composed of the Stellantis Top Executive Team, some of whom also have the responsibility of Chairs of the Regional Diversity Councils for their region. The Council has the responsibility for setting the Company’s Diversity and Inclusion strategy in alignment with the overall business strategy and objectives. It provides governance and oversight on the delivery of the key Diversity and Inclusion actions and the effectiveness of the Diversity and Inclusion function. ▪ In early 2021, a new dedicated Global Diversity and Inclusion office was established, with responsibility for defining and implementing the Company’s Diversity and Inclusion strategy on a global level and coordinating the extension of the global strategy into our regions and countries of operation. Diversity and Inclusion is integrated with Learning and Development within the Human Resources function. ▪ Within our regions, the Chief Operating Officer chairs the Regional Diversity Council. Each Regional Council is responsible for establishing the Regional Diversity and Inclusion strategy and associated action plans. The Regional strategies are aligned with our global commitments and are defined in line with the local context.

CSR ISSUE #7: Health, safety and well-being in the workplace


Measures	Process, main actions and results 
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<ul style="list-style-type: none"> ▪ The Stellantis Production Way Health and Safety applies risk identification and assessment, both on a routine and non-routine basis, with the purpose of singling out major risk areas and implementing preventive action plans. Risk areas include physical, ergonomic, chemical and psychosocial risks. The Hierarchy of Controls methodology is then used to determine the proper countermeasures. ▪ We attend to employee safety and well-being by applying a methodical approach that involves stakeholders, employees, employee representatives, the medical community and management.
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> ▪ Our Well-being Health and Safety (WHS) management system, known as the Global Care Management System (GCMS), is compliant with the occupational health and safety recommendations of the International Labor organization (ILO-OSH 2001) and performs its obligations in all countries. Encompassing ISO 45001 requirements, the GCMS is a means to assess, monitor, and manage risks systematically. ▪ A team of 488 physicians and 527 nurses focus on prevention, occupational follow-up, emergency care and health promotion. Local workers at all Stellantis sites have access to medical resources. Prevention covers the activities dedicated to occupational risks and exposure assessment related to any health consequence from work activities. Occupational follow up includes monitoring, examinations to check for exposure consequence, assess fitness to work and any potential limitations. It includes individual follow up by physicians, trained nurses, physiotherapist, and/or psychologist to take into account early symptoms. ▪ Ergonomic evaluation and rating tools for our repetitive workstations is required in Stellantis plants, to measure the risk level for each workstation and to detect factors with the greatest risk of causing musculoskeletal disorders. ▪ At the heart of the COVID-19 crisis, at the beginning of 2021, Stellantis Health services implemented a survey on mental health, stress, well-being and motivation in 19 countries in Europe. Action plans are implemented under the responsibility of the country management. ▪ In the COVID-19 crisis, audit has been implemented at many stages, from the readiness of the facilities to safely welcome employees to the sustained implementation of prevention measures. The COVID-19 audit program provided the impetus to fix issues discovered related to the prevention protocol implementation. Employee representatives were involved in this process. In 2021, a total of 553 COVID-19 related audits have been implemented worldwide.



Measures	Process, main actions and results
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<ul style="list-style-type: none"> ▪ The Company allocates resources (e.g. standards, safe equipment and workstations, people, employee assistance programs) for an overall health approach ▪ Stellantis is committed to implement the best occupational health and safety standards and practices. This commitment is demonstrated in the Well-being, Health and Safety policy, as well as in several national Company agreements with employees' representatives. 30 health and safety agreements were signed in 2021. ▪ There are mandatory training and certification requirements targeted to operations and facilities. We provide health and safety protocols and recommendations regardless of where the workplace is located, on-site, home or remote working locations. Based on accident analysis and risk assessment, specific training programs are developed and deployed at all sites. In 2021, 363,410 hours of training were dedicated to safety and, in addition, 259,517 hours of training in the COVID-19 health protocol were delivered before returning to work. <p>Health</p> <ul style="list-style-type: none"> ▪ To handle COVID-19 crisis, we built common health protocols and unique protection measures. Acceptance of the COVID-19 protocols by our employees has been a key lever of the prevention measures effectiveness. Changes to measures were explained through discussions with managers, unions, health and safety professionals. Stellantis supported local vaccination policy and enabled employees to be vaccinated, through government vaccination programs, or, when possible, through internal vaccination centers. More than 24,728 employees were vaccinated internally. ▪ Daily activities progressively took their place again in the schedule of the health teams, such as MSD (musculoskeletal disorders) prevention. ▪ The Company has developed a program to prevent psychosocial risks which it is systematically deploying, including in the regions where societal concerns are yet to be raised in this field. Health teams were committed to promote and support these programs, especially for those who had to work remotely on a permanent and mandatory basis. ▪ Chemical risk management involved a network of specialists and stakeholders to take prevention measures and reduce the risks to the lowest level, including a structured substitution policy. ▪ 80 Stellantis ergonomists works to design a user interface adapted to physical capabilities, to prevent the deterioration of working conditions and its consequences on individuals, e.g. health, particularly musculoskeletal diseases. <p>Safety</p> <ul style="list-style-type: none"> ▪ A program of serious injury and fatality elimination is strategically overseen at a global level and promoted by the development of common global standards for high-risk activities and the implementation of Global "Call-to-Actions", charging all sites with the implementation of common action plans to eliminate and control such high-risk hazards. ▪ We target to achieve every year a Lost-time injury frequency rate <1. In 2021, we reach 1. <p>Well-being</p> <ul style="list-style-type: none"> ▪ Remote working is encouraged where applicable to improve quality of life and work-life balance. The New Era of Agility (NEA) program allows employees in 23 countries to remote work up to 70%. The NEA provides guidelines to be respected that put a framework in place to define the differences between work and personal time
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<ul style="list-style-type: none"> ▪ All employee representatives can exercise vigilance and can report non-compliance, and their opinion is regularly solicited on the application of the agreement's commitments. ▪ Each month, representatives from about 30 countries participate to a poll and share about working rhythm and atmosphere, manufacturing and sales activities, Unions activities and local policies. ▪ In addition of the elements mentioned just before, refer to the paragraph "Reporting concerns - Integrity Helpline" within section 8.3.4.

Measures	Process, main actions and results 
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> ▪ The governance process is overseen by the Strategy Council. In monthly Business Reviews at the Strategy Council level the results related to Health and Safety are presented and discussed with the analysis of the impact on operations. Stellantis targets to create a Well-being and Health committee, with EVP sponsors, to share at the Top Management level the stakes and results, to define the priorities and follow-up the actions. The Corporate Well-being Health and Safety (WHS) organization ensures proper coordination of WHS activities, processes and targets throughout the regional Stellantis Organizations. In each region a Well-being, Health and Safety leader is appointed and is in charge of contributing to the global policy, implementing the actions, supporting the operations in the region and providing the regional top management with results and analysis. ▪ Because the Health and Safety domain is part of the Stellantis Production Way management system, key indicators of the manufacturing operations include the Health and Safety related indicators, among which Total Recordable Injury Rate, Lost Time Injury Rate and absenteeism rate. The proactive approach to Health and Safety will be tracked via the “Care Index” measuring the level of maturity of Health and Safety System Implementation in our sites. ▪ In most host countries, joint management-worker organizations are in charge of monitoring the application of employee health and safety practices. 95% of Company employees are represented by 306 joint management-worker health and safety committees. ▪ To handle COVID-19 crisis, weekly COVID-19 Committees bring together Stellantis physicians and nurses and Corporate and regional health leaders to monitor the situation and take common decisions. At the operations level, daily crisis cell meetings addressed concerns and issues. Concerns were processed by specific and multidisciplinary working groups that were referred to the COVID-19 committee, allowing reactivity, global vision and efficacy in the decision process.

CSR ISSUE #2: Industrial and sites carbon footprint

Measures	Process, main actions and results 
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<ul style="list-style-type: none"> ▪ As part of its Risk Management System, Stellantis uses its company-wide risk analysis framework to assess, manage and report climate-related physical and transition risks and opportunities. Global carbon footprint' is considered as top risks and presented to the Audit Committee of the Board of Directors. ▪ Main emissions factors are <ul style="list-style-type: none"> • Energy consumption in the manufacturing plants of which foundries and paint shops are main contributors, • The electricity source type consumed by the manufacturing plants. ▪ This involves an energy management approach that notably maps the energy performance of all manufacturing plants and identifies the areas in need of improvement. ▪ Stellantis has completed a thorough review of its energy consumption and energy efficiency across the Company. A consumption control plan was developed to map the performance of the largest plants in order to identify the lines of action necessary for a full overhaul of their energy patterns.



Measures	Process, main actions and results
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> ▪ Company activity emissions (direct and indirect emissions) are derived from a GHG (greenhouse gas) assessments carried out at Stellantis plants, tertiary sites and Company-owned dealership network. <ul style="list-style-type: none"> • They are associated with fuel and electricity consumption in manufacturing plants (assembly plants or components factories) for 1.15%, tertiary sites (0.04%) and dealership networks (0.03%). ▪ Completing an inventory of emitting sources is a key step on the roadmap to achieve carbon Net Zero. <ul style="list-style-type: none"> • In South America, Stellantis aims to measure, manage, reduce and offset the annual GHG emissions produced from the daily activities of regional plants through third-party verified emission inventory. <ul style="list-style-type: none"> ▫ The Stellantis assembly plant in Goiana (Brazil) was South America’s first auto plant to have neutralized its scopes 1 and 2 from their GHG emission inventory certified by a third party. The result achieved in Goiana was extended to the 16 suppliers in its Supplier park. ▪ Stellantis has completed a thorough review of its energy consumption and energy efficiency across the Company. A consumption control plan was developed to map the performance of the largest plants in order to identify the lines of action necessary for a full overhaul of their energy patterns.
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<ul style="list-style-type: none"> ▪ Major strategic projects with significant impact on the CO₂ emissions of the Company are being brought to the Board of Directors for review and decisions. The Board reviews the related financial implications, such as the CAPEX or strategic transformation needed to implement these projects. The Board discusses these projects for approval after being informed about aspects such as CO₂ emission consequences. ▪ All plants have CO₂ reduction targets and are required to present roadmaps to reach net zero emissions and present yearly progress. The decision-making process which allows capital investments in carbon reduction projects takes carbon price into account as well as the alignment with the decarbonization goals. <ul style="list-style-type: none"> • More than €6.3 million is invested in energy savings equals around €1.1 per vehicle produced. • In 2021, the plants implemented energy saving activities, based on the best practices shared between the two former Companies. Each energy reduction project is validated based on its CO₂ impact and return on investment. Once validated and implemented at one of the Company’s sites, initiatives that prove successful are gradually rolled out to all plants. ▪ Stellantis has defined its CO₂ emission reduction roadmap and targets for scopes 1 and 2¹ in accordance with Science Based Target initiative (SBTi) methodology and aligned with 1.5°C scenario. <ul style="list-style-type: none"> • Having 2021 as a baseline, the target is to reduce emissions from Scope 1 and 2 by 50% in 2025, by 75% in 2030 and reaching Carbon Net Zero, with single digit % compensation of residual emissions, by 2038. • Results in 2021 are as follows: <ul style="list-style-type: none"> ▫ Breakdown of energy consumption from operations shows a share of decarbonized electricity of 45%. ▫ The initiatives implemented by Stellantis in 2021 resulted in an emission reduction in scope 1 and scope 2 of 49,924 tons of CO₂-eq equals to 8.8 kg of CO₂-eq/ vehicle produced. ▪ Stellantis is participating to the CO₂ emission allowance scheme . <ul style="list-style-type: none"> • European regulation system: Stellantis is part of the CO₂ allowance trading plan implemented by European Directive No. 2003/87/EC, also called the EU Emission Trading Scheme (ETS) • Canadian regulations system, Federal Output Based Pricing System (OBPS): a carbon levy program that imposes “carbon” costs on all fossil fuel-based energy consumption across Canada.

¹Company activities – Scope 1 and 2 (Direct and indirect emissions) building performance with: fuel and electricity consumption in plants = 0.99%, tertiary sites = 0.03%, dealership networks = 0.02%



Measures	Process, main actions and results
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<p>Refer to the paragraph “Reporting concerns - Integrity Helpline” within section 8.3.4 ></p>
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> ▪ Reflecting Stellantis’ commitment to embed CO₂ issues within executive decision-making, the Manufacturing CO₂ Steering Committee has been established in 2021. It provides Executive bodies with a global overview of CO₂ issues within industrial activities. This instance validates the mid- and long-term vision about CO₂ emissions from industrial activities. This committee reviews all initiative related to the plants to ensure that they are following the decarbonization strategy. ▪ The Industrial manufacturing divisions implement Stellantis Environmental and Energy policy to contribute to a decarbonized economy by achieving net zero emissions within its activities worldwide (scopes 1 and 2) by 2038 ▪ Stellantis is defining its joint Energy Management System. This managerial approach begins with an initial stage of staff involvement at all levels including the machine operator level, targeting the reduction of energy losses during non-production periods. The following stage consists of developing solutions to reduce consumption during production periods. As solutions are developed, best practices are shared and rolled out across the plants. <ul style="list-style-type: none"> • At the end of 2021, majority of the Stellantis plants were ISO 50001 certified, representing approximately 77% of the Company’s total energy consumption. ▪ Accredited third parties certify the Company’s Energy Management System. Energy management team: facilities have dedicated Site utility manager and a team in charge of the energy management system. They monitor energy consumption, conduct audits, identify potential savings and, drive energy reduction projects. <ul style="list-style-type: none"> • More than €6.3 million is invested in energy savings equals around €1.1 per vehicle produced. ▪ Real Estate committees integrate the environmental issues of projects into decision-making processes including improvement of energy efficiency in the major renovation projects of our dealership, financial support for energy retrofits of buildings, and the implementation of renewable energy solution. <ul style="list-style-type: none"> • In 2021, the Real Estate Division continued to work on our footprint optimization for all Stellantis activities.

CSR ISSUE #17: Control of industrial discharges and nuisances



Measures	Process, main actions and results
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<ul style="list-style-type: none"> ▪ Stellantis understands that the automotive production processes use substances and processes that generate air emissions that could potentially affect air quality, natural environments and the quality of life in the surrounding neighborhoods of our plants. Nuisances could also occur in the form of accidental releases of chemicals with potential impact on other environmental media such as soil or water, or on human health. ▪ Some VOCs (Volatile Organic Compound) are harmful to human beings and the environment. ▪ Sulfur dioxide (SO₂) and Nitrogen oxides (NO_x) can form acid rain, which negatively affects ecosystems such as forests and lakes. ▪ Particulate Matter (PM) is solid or liquid particles that is measured in micrometers (1,000 times smaller than millimeter) and suspended into the air. PM can cause harm to human health, and the suspended particles can affect the amount of incoming and reflected radiation in the earth’s atmosphere and therefore influence our climate. ▪ Ozone Depleting Substances (ODS) are a group of chemical substances that can react with ozone and negatively impact the ozone layer of the stratosphere. The ozone layer prevents harmful wavelengths of ultraviolet light to reach the earth’s surface which cause harm to human beings, vegetation and animals.



Measures	Process, main actions and results
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> ▪ We monitor and control air emissions such as Volatile Organic Compounds (VOC), that are derived from solvent use in paint processes, Sulfur Dioxide (SO₂), Nitrogen Oxides (NO_x) and Particulate Matter (PM), that are the result of combustion processes (for example, burning fossil fuels for energy generation or heating purposes) and Ozone Depleting Substances (ODS) that leaked from refrigeration and air conditioning equipment in our plants and offices. ▪ When a new chemical product is introduced at a plant, its assessment includes checking the nature and acceptability of the health and environmental impacts. This assessment either results in a ban of the product or acceptance for use with risk prevention requirements. ▪ Given the long history of some industrial facilities, soil impacts may be present at our sites. Historic contamination may be caused by leakages from underground storage tanks, underground pipes or spills. We conduct site investigations as part of ongoing initiatives, site acquisition or divestment projects, and at the request of regulators. The initial site investigation step usually includes record reviews and interviews to identify potential areas of concern. In the following steps, onsite investigations may include the analysis of soil, surface water or groundwater, or soil gas samples in order to determine the presence and extent of potential contamination. In some cases, this onsite investigation may consist of several phases to delineate the extent of the contamination.
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<ul style="list-style-type: none"> ▪ In 2021, we started developing a corporate Environmental and Energy Policy. Environmental protection and energy performance are important Company objectives therefore input to the policy is required from many divisions. This process is ongoing and is projected to be completed by mid-2022. We identify the role of the environmental specialist as a key function that requires specific competence and training. We are updating standard job descriptions for our environmental experts that outline the technical and social skills required. We are reviewing training programs for all job levels. ▪ Stellantis strives for zero VOC emissions. We monitor the following strategic KPI: Volatile Organic Compounds (VOC) emissions from paint shops normalized (g/m² painted). <ul style="list-style-type: none"> • We target 25 g/m² painted in 2025 and have the ambition of 0 g/m² painted in 2050. In 2021 we emitted 24.95 g/m² painted. ▪ For reducing Volatile Organic Compound (VOC) emissions, we focus our actions on reducing consumption of paints and their solvent content, implementing low-emission technologies and installing air treatment equipment for incinerating VOC. Measures for recycling and reuse of solvents for cleaning purposes are ongoing. Stellantis invests in research and development for new paints and paint technologies. Progress has been made to increase the solid content of the white paint on commercial vehicles, which allows the reduction of the amount of solvent and decreases VOC emissions. Stellantis is dependent on future technologies to accomplish the aspirational goal of zero VOC emissions in painting processes. <ul style="list-style-type: none"> • We work with suppliers to develop and test new painting methods and equipment, such as low overspray technology. ▪ We reduce emissions of Sulfur dioxide (SO₂), Nitrogen oxides (NO_x) and Particulate Matter (PM) through efficiency and modernization of equipment. In 2021, our SO₂ emissions were in total at 110 tons, NO_x emissions were at 1,463 tons and PM at 115 tons. ▪ Stellantis monitors ODS emissions during ODS-containing equipment maintenance or service activities and leak checks. ODS emissions are recorded in the event of an incident of an equipment installation. In 2021, our ODS emissions were in total at 39 kg of CFC-11 equivalent. ▪ To limit the chemical risks, structural measures such as building retention basins or using above ground pipe systems versus underground piping to carry liquids, can limit the impact in case of accidental releases. To minimize chemical risks, supervisors or other functions conduct checks of environmental procedures and installations during site walks and inspections as part of Stellantis Production System or during ISO 14001 audits. In addition, inventories of chemical products in stock enables the facility to limit on-site volumes. Safety data sheets are developed for authorized products and access to the information is provided to employees. ▪ For remediating soil contamination, measures such as monitoring, and containment are implemented. Our environmental experts liaise closely with the involved authorities to comply with local regulations.



Measures	Process, main actions and results
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<p>Refer to the paragraph “Reporting concerns - Integrity Helpline” within section 8.3.4 ></p>
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> ▪ The EVP Manufacturing validates the CSR vision, ambitions and targets for the issues related to industrial discharges and nuisances and is responsible for their achievement. Performance is reviewed on a regularly basis and appropriate actions decided with regional leadership. The EVP of the Regions together with the Manufacturing officers are responsible to develop their plans and implement actions to meet the targets. On an annual basis, the Plant Managers are preparing site-specific plans including targets, actions and necessary investments to meet our environmental commitments. They are responsible for the environmental performance of their plant. ▪ In our manufacturing facilities, we have dedicated environmental specialists supported by a network of nominated environmental representatives from various business functions. They are responsible to help ensure compliance with applicable regulation, for implementing the environmental policy and this includes managing the Environmental Management System (EMS) in compliance with ISO 14001 standard. An Environmental Management System is in place at 93% of our production facilities. ▪ The Environmental Central Department (ECD) helps facilities with legal compliance and supports the local EMS by developing efficiencies and common standards. The ECD oversees and manages the quality of the EMS through audits and status reviews. ECD conduct strategic cross functional planning for reducing the environmental impact. ECD evaluates and shares best practices with the plants to encourage continuous improvement. ▪ Environmental performance is fully integrated into the Lean Manufacturing System of Stellantis and tracked with the main Manufacturing KPIs by a standardized score card process. Monthly leadership performance status reviews on a local and corporate level helps effectiveness of implemented measures and improves the environmental footprint according to the strategic plan.

8.3.3. THE USE OF PRODUCTS AND SERVICES MARKETED BY THE COMPANY

During 2021, Stellantis totaled 6.5 million combined sales, with more than 10 new models launched while accelerating the low emission vehicles (LEV) commercial momentum. Global LEV sales reached 388,000 units.

CSR ISSUE #1: Vehicle CO₂ emissions

Measures	Process, main actions and results
1: Risk mapping designed to identify, analyse and classify risks	<ul style="list-style-type: none"> As part of its Risk Management System, Stellantis uses its company-wide risk analysis framework to assess, manage and report climate-related physical and transition risks. The two climate-related risks, 'natural hazards' and 'global carbon footprint', are considered as top risks and presented to the Audit Committee of the Board of Directors.
2: Procedures for regular assessment of the situation in connection with risk mapping	<ul style="list-style-type: none"> The assessment of transition climate-related risks is based on a qualitative and quantitative climate-related scenario analysis. The scenarios used by Stellantis notably include potential scenarios for technological development or market conditions. Marketing and products division teams use various climate-related scenarios based on internal assessment, that are benchmarked with business partners and external scenarios developed by climate specialists, to ensure consistency with 1,5°C scenario. The output of those scenarios is the potential market evolution by energy and technologies in coming years and for different geographical zones, considering electricity mix projections in the countries considered. This analysis enables Stellantis to understand the minimum and maximum thresholds of electrified vehicles needed on the market to be aligned with Climate Paris Agreement. The use of climate-related scenarios also helps identifying the share of effort to be made to optimize CO₂ emissions on conventional thermal vehicles to reach Stellantis target relating to the average CO₂ emissions of all vehicles.





Measures

Process, main actions and results

3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)

- Major strategic projects with significant impact on the CO₂ emissions of the products are being brought to the Board of Directors for review and decisions. The Board reviews the related financial implications, such as the CAPEX or strategic transformation needed to implement these projects. The Board discusses these projects for approval after being informed about aspects such as CO₂ emission consequences and expected changes in the future mobility market.
 - In 2021, the Company announced its plan to invest more than €30 billion through 2025 in electrification and software.
- The Executive Vice President, Planning, holds direct and specific responsibility on corporate CO₂ emission average, and provides orientation for the development of new vehicles and in particular low-carbon vehicles.
- CO₂ dedicated targets are annually set at various management levels and according to job perimeters. Corresponding incentive plan are in place to foster the climate performance of the Company and the achievement of the set targets.
- Stellantis uses an internal carbon price to measure the cost efficiency of technical levers that reduce vehicle CO₂ emissions. This allows Stellantis to propose an optimized set of CO₂ reduction levers on its vehicles based on a cost-efficiency analysis.
- The main levers for the Company to reduce vehicle CO₂ emissions are:
 - An increasingly low carbon offer (BEV and PHEV) relying on an ambitious electrification roadmap, to consolidate Stellantis position in the low-emission vehicle (LEV) segment in its various markets. Placing short-, medium- and long-term quantitative targets on the share of LEVs sales in the total sales mix and on the percentage of nameplates available in a LEV version enables Stellantis to define and track alignment with a clear roadmap of how to attain its fleet CO₂ emissions reduction targets.
 - In 2021, the Company announced its ambition to make the LEV sales mix reach 100% in Europe and 50% in the U.S. in 2030. In 2021, LEV sales represented 12.8% of passenger cars in Europe and 3.4% of passenger cars and light duty trucks in the US.
 - In 2021, 10 additional LEV models were launched.
 - A zero-emission fuel cell offer for LCVs, complementary to full battery models, in order to meet customers' expectations.
 - In 2021, 3 FCEV (Fuel Cell Electric Vehicle) models were launched.
 - A BEV-dedicated platform strategy to be operational from 2023 to Speeding-up the electrification of the car line in all segments.
 - A vertical integration strategy aiming to control the LEV value chain and its costs, to secure supply and quality.
 - The deployment of MHEV (Mild Hybrid Electric Vehicle) technologies.
 - The deployment of technical levers to improve all key aspects of energy consumption: for example, weight, aerodynamics, rolling resistance and electrical consumption.
 - The deployment of a fast-charging network across Europe, to encourage EV adoption by supporting the EV ecosystem.

4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks

Refer to the paragraph "Reporting concerns - Integrity Helpline" within [section 8.3.4](#) >



Measures	Process, main actions and results
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> Stellantis has embedded climate issues at various levels of the organization, with responsibility exercised within the Company's management and executive functions: <ul style="list-style-type: none"> Stellantis' strategic climate commitments, their implementation and their progress vs target, are presented to the Board of Directors. The Board of Directors has also implemented an ESG Committee, which is responsible for monitoring and evaluating reports on the company's climate policies and practices, management standards, strategy, performance and governance globally. This ESG Committee is also responsible for reviewing, assessing and making recommendations as to strategic guidelines for climate-related issues. The Top Executive Team monitors progress against climate commitments and objectives and reviews the top risks with a particular focus on climate change, especially vehicle CO₂ emissions, as the most strategic CSR issue for Stellantis. The Strategy Council meets monthly, notably to direct the strategy regarding vehicle CO₂ emissions with the Top Executive Team. Stellantis incorporates CO₂ emissions management from product planning to sales. Dedicated tools have been put in place to provide real-time information on the current status and forecasts of CO₂ emissions for all Stellantis brands, allowing the revision of production program and commercial policy accordingly. Driven by the electrification ramp-up and technical improvements brought to conventional vehicles, the CO₂ emissions of sold vehicles in 2021 have been reduced: <ul style="list-style-type: none"> In European Union, and in United Kingdom, Stellantis has reached its CAFE (Corporate Average Fuel Economy) regulatory targets, both for Passenger cars and for Light Commercial Vehicles, without buying any external credits. In other CO₂ regulated markets, Stellantis is also compliant with local regulatory targets, and aims at ensuring self-compliance without additional credit purchases from 2022 onwards. See section 2.5.4.1 for Stellantis' sales-weighted average fuel emissions and CO₂ emissions data by region.

CSR ISSUE #10: Vehicle safety



Measures	Process, main actions and results
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<ul style="list-style-type: none"> Stellantis understands that safety is one of the most important expectations in society and impacts customer choices. We integrate such expectations in each phase of the design of our vehicles.
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> For every Stellantis vehicle project, safety experts perform technical assessments throughout the project and those results are summarized and communicated to the Product Development Department's top management for review and approval to continue. Stellantis has a dedicated team to investigate field issues including those with potential safety consequences. Investigations are launched to determine root causes, potential consequences and corresponding safety risks and countermeasures e.g., field actions and product safety recalls. The investigation team coordinates the response to the identified incidents with the engineering teams, manufacturing, suppliers and customer care. The procedures include opportunities for early detection, crisis management and immediate action. The safety expert network can contribute to this process for the root cause analysis and risk assessment. All Stellantis vehicles are rigorously tested and validated internally before being tested by outside stakeholders such as the U.S. government (NHTSA) or the Insurance Institute for Highway Safety (IIHS) or NCAP organizations. In 2021, Stellantis performed more than 400,000 validations, either by physical or virtual validation.



Measures

Process, main actions and results

3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)

- Delivering safe products to our customers is among the essential responsibilities described in our Code of Conduct. We work to achieve compliance with regulatory standards to deliver quality products and services with a high level of safety and reliability.
- Regarding the level of robustness of the global harmonized vehicle safety organization, processes and technical expertise, Stellantis has set the following targets:
 - 2025: Governance, organization and processes defined and set up, external audit every 3 years, performed by an independent assessment body and considering industry standards including ISO26262, ISO21448, ISO21434.
 - 2030: External audit performed each year, considering new technologies embedded in Stellantis products
- Product safety-based training materials are captured in two courses: Introduction to U.S. Motor Vehicle Safety and Safety Defect Determination. Due to legislative and regulatory changes the U.S. Motor Vehicle Safety course has been delayed and will be launched for Stellantis employees in April 2022. These web-based courses are open as a reference to all former FCA global employees but they are a mandatory requirement for specific organizations in North America.
 - For the Safety Defect Determination course, 100% of the required employees completed the training in 2021.
- Our suppliers in North America have access to a web-based training program that helps them understand expectations and supplier-specific requirements of the U.S. Motor Vehicle Safety Act and regulations of the U.S. National Highway Traffic Safety Administration (NHTSA).
- Stellantis offers active (primary) and passive (secondary) features for diverse drivers and vehicle segments, along with tertiary safety elements. The intent of active safety systems is to help drivers avoid crashes by alerting them to certain potentially hazardous situations or assisting them in mitigating the risk posed by certain types of identified hazards. Passive, or secondary, safety systems are designed to help mitigate the effects of a crash. These include occupant restraint technology and the use of more advanced materials that enable us to improve crash energy management. In the area of tertiary safety, or post-accident emergency response, Stellantis provides emergency rescue sheets with information to rescue teams or first responders on special design elements and the position of components to be considered when assisting the occupants of vehicles involved in an accident.
 - Stellantis vehicles are equipped with new technology such as:
 - Speed limiting device, developed on 69% of Stellantis models in 2021
 - Rear seats seatbelts with pretensioner and load limiter, developed on 66% of Stellantis models in 2021
 - Automatic Emergency Braking, developed on 63% of Stellantis models in 2021
 - Lane Keeping Assist, developed on 57% of Stellantis models in 2021
 - Owners of Chrysler, Dodge, Jeep, Ram, Fiat and Alfa Romeo vehicles will receive a free over-the-air software update called the Emergency Vehicle Alert System or EVAS, which was introduced at the 2022 CES electronics show in Las Vegas. Stellantis is the first automaker to implement its EVAS to 2018-and-newer Stellantis cars, trucks and SUVs. Initially available only in North America, it could be offered eventually in all 14 Stellantis brands worldwide.
- The Stellantis advanced engineering organizations around the world apply virtual reality methods and innovative technological solutions for virtual and physical tests. The engineers also analyze real world data to develop and assess effective vehicle safety systems, protection for vulnerable road users and integration of active and passive safety systems.
- Stellantis cybersecurity is underway in its preparation to receive certification of compliance for its Cyber Security Management Systems along with type approvals for vehicles sales and registrations as part of UNECE WP.29 R155 incorporated into GSR v2 2019/2144.
- When potential vehicle safety issues arise, we promptly investigate and take corrective action as previously stated ([refer to 4.3.6](#)). This includes initiating safety recall campaigns when appropriate. Stellantis aims to improve the overall customer experience during the safety recall process through timely and accurate communication and reduced customer inconvenience.



Measures	Process, main actions and results
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<ul style="list-style-type: none"> ▪ Vehicle safety is included as part of our culture to increase vehicle quality by empowering employees, contractors, suppliers and dealers to speak up if they have concerns. ▪ Employees are expected to comply with the implemented safety standards, taking appropriate steps to prevent, identify and correct any non-compliance with such standards. Any vehicle safety issue encountered must be immediately reported to supervisors, the Compliance or Legal Departments or through the whistleblower line. ▪ In addition of the elements mentioned just before, also refer to the paragraph “Reporting concerns - Integrity Helpline” within section 8.3.4.
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> ▪ Stellantis created a unified Global Safety Forum led by the Global Technical Safety and Regulatory Compliance Manager. This forum will guide the Company on the application of future standards and ratify future processes and procedures concerning vehicle safety and security. We are growing our Transversal Safety Expertise Networks to further develop and improve our safety processes and assess their implementation in our vehicles. At a regional level, decision making processes are in place to address potential vehicle safety issues. ▪ Stellantis monitors the implementation of each safety recall campaign specifically based on progress indicators and the actual repairs made in each campaign. Repeat requests are sent to customers who do not come forward. ▪ In 2021, there were 124 recall campaigns involving 3,003,480 initial recall notices for 6,058,212 Stellantis vehicles worldwide. The operations carried out are free of charge for the customer.

CSR ISSUE #14: Wise use of material



Measures	Process, main actions and results
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<ul style="list-style-type: none"> ▪ The Global Purchasing and Supply Chain EVP and the Engineering EVP, both direct reports to the CEO, and members of the Top Executive Team and the Strategy Council are responsible for the materials strategy. Mapping of material risks for both current and forecasts, is performed according to specific criteria for each raw material, including: <ul style="list-style-type: none"> ▫ significant contribution to develop existing technologies. ▫ scarcity and geographic location. ▫ social and environmental impacts including recyclability and extraction or production conditions. ▫ geopolitical or logistic accessibility. ▪ Based on this risk mapping, the EVPs validate the R&D roadmap on substitute materials or alternative supplies. ▪ Examples of the last outputs of this material risks mapping: <ul style="list-style-type: none"> • Transition to electrified vehicles is generating need for new raw materials such as lithium, nickel and cobalt. • Demand for the materials needed for nanotechnologies is greater than ever in the context of the increased appetite for connected vehicles. • Metals used to support nanotechnologies experience market tensions and are increasingly harder to mine: the metal content of the ore is decreasing, while mines currently operated show lower concentrations which implies more and more processing.



Measures	Process, main actions and results
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> Stellantis conducts Life Cycle Assessment (LCAs) in line with ISO standards 14040/44 to analyze the multi-criteria environmental footprint of a vehicle, its components and materials design. The entire product life cycle is considered from raw material extraction to manufacture, use and end-of-life. Critical reviews are conducted with external experts (the last one focused on battery electric vehicle DS3 Crossback e-tense). The results of life cycle assessments help to improve the vehicles' environmental record: <ul style="list-style-type: none"> highlighting the environmental advantage of one innovative solution compared to another, and more broadly, the overall environmental impact of a product; identifying possible pollution transfers from one phase of the life cycle to another; highlighting core environmental impacts; choosing more environmentally friendly technologies and materials. 100% of new models undergo a Life Cycle Assessment (LCA). The impact of new electrified powertrain is also evaluated. In 2021, LCAs covered 62% of the total fleet sold.
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<p>Scarcity of materials</p> <ul style="list-style-type: none"> Limit and reduce the use of critical materials: for instance, Stellantis works to increase battery energy density which would decrease the quantity of raw materials needed per unit of energy. Develop alternative materials to substitute critical materials: for instance, Stellantis conducts research and development activities for solid-state batteries and chemical compositions for other raw materials that are not considered critical. From 2024, Stellantis plans to base its electrification strategy on two battery technologies, both without cobalt. Use of Green Materials: Stellantis is involved in the integration of recycled and natural materials in the Company's vehicles. Engineering resources are dedicated to increasing their rate in the production of vehicles. Stellantis has set the following targets: launch the first vehicles containing 25% of Green Materials in 2025 / launch the first vehicles containing 40% of Green Materials in 2030. In 2021, more than 15 vehicles embark green materials. <p>Hazardous substances</p> <ul style="list-style-type: none"> Eliminate four heavy metals: lead, mercury, cadmium and hexavalent chromium which are regulated by the European Directive No 2000/53/EC on end-of-life vehicles and its exemptions list mentioned in Annex II; Substitute some substances targeted by regulations such as REACH: the Company has set up an organization and communication system to monitor its partners and suppliers using the REACH automotive industry guidelines. Limit Volatile Organic Compounds (VOCs): Concerning vehicle interior air quality, Stellantis has voluntarily introduced technical solutions to support customer health, safety and comfort in the cabin. These include filters for air flow into the passenger compartment and limits on volatile organic compounds (VOCs) in the materials used. <p>End-of-life processes</p> <ul style="list-style-type: none"> Ensure that vehicles are highly recyclable: All the Company's vehicles in Europe are 95% recoverable and 85% recyclable. In Regions outside Europe, the Company is actively analyzing the regional and local market situation as well as ELV-related legislation. Extend the High Voltage Batteries (HVB) lifespan before recycling: In 2021, 1,723 of the batteries used in Stellantis' vehicles had a life cycle management solution: 17 were repaired, 516 were remanufactured, 895 were used in 2nd life projects such as energy storage, and 295 were recycled. Stellantis set the following targets regarding the availability of solutions to optimize HVB lifespan: at least one solution is implemented for each HVB sold in EU, NA, China in 2025 / at least one solution is implemented for each High Voltage Battery in all countries where EVs are sold in 2030 / all solutions implemented in all countries where EVs are sold in 2050. Offer customers the option of remanufactured and reused parts, which allows cost savings for customers compared to equivalent original new parts while reducing the raw material usage. Offer customers verified pre-owned vehicles: more affordable than brand new models and helping to preserve natural resources needed to build a vehicle.



Measures	Process, main actions and results
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<p>Refer to the paragraph “Reporting concerns - Integrity Helpline” within section 8.3.4.</p>
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<p>Scarcity of materials</p> <ul style="list-style-type: none"> Integrated in the Materials and Sustainability Engineering Department, teams are dedicated to developing and monitoring sustainable eco-design worldwide. In order to conduct these actions, standards and tools are defined and implemented to monitor design criteria applied by engineering teams. In particular, standards are defined to limit and trace the use of hazardous substances or to specify the Green Material content. The automotive standard International Material Data System (IMDS) tool is mainly used to monitor material composition of the parts. <p>Hazardous substances</p> <ul style="list-style-type: none"> To ensure the traceability of regulated substances contained in vehicle parts and materials, Stellantis collects information from suppliers using the automotive standard International Material Data System (IMDS) tool according to the Global Automotive Declarable Substance List (GADSL). <p>End-of-life processes</p> <ul style="list-style-type: none"> Stellantis Circular Economy Business Unit is responsible for defining targets, guidelines and supporting regional team activities within project development through logistics, sales and marketing. It is tasked with coordinating with other departments such as engineering, purchasing and manufacturing to spread the Circular Economy mindset.

CSR ISSUE #15: Vehicle impact on air quality



Measures	Process, main actions and results
<p>1: Risk mapping designed to identify, analyse and classify risks</p>	<ul style="list-style-type: none"> Global emissions standards continue to become increasingly stringent. Stellantis is aware that there are risks associated with the changing requirements. Product environmental innovations are essential for the achievement of such standards.
<p>2: Procedures for regular assessment of the situation in connection with risk mapping</p>	<ul style="list-style-type: none"> Employees involved in meeting compliance and regulations of emissions are expected to know and respect not only the requirements imposed by applicable laws and regulations, but also the applicable internal rules and processes we use to help achieve such compliance. To support this, employees have access to processes that use and make available information databases, technical and engineering guidelines, networks of meetings and governance, reference documents, and training materials.



Measures	Process, main actions and results
<p>3: Appropriate actions to mitigate the risk of or to prevent serious breaches (and remediation plan when relevant)</p>	<ul style="list-style-type: none"> • Low Emission Vehicles (LEVs) generate significantly lower emissions compared to ICE vehicles. Stellantis targets that more than 70% of its vehicle sales in Europe and more than 40% of vehicle sales in the United States will be low emission vehicles (LEV) by 2030. • To achieve these targets, we increase our portfolio of electrified vehicles. For instance 10 battery electric and plug-in hybrid electric vehicles are expected to be launched by 2022 • In parallel with its electrification strategy, Stellantis develops advanced emission control technologies to minimize environmental impact of internal combustion engines: <ul style="list-style-type: none"> • To minimize particulate matter emissions, both in particle numbers and mass, optimized engine measures and the use of wall flow particulate filters are effective technologies. Particulate filters allow the screening of both fine and ultra-fine particulate matter. Depending on the fuel the result can achieve up to 99.7% by number and up to more than 95% by mass. The particulate filter is an effective mechanical system which is fully operational throughout the phases of engine operation and driving conditions. • We have developed and continue to improve the technology for a high performing filter for spark ignition engines to further reduce ultrafine particles from gasoline engines. The technology development will take into account the new constraints resulting from powertrain electrification. This new filter technology is expected to be launched in 2022. • Also, Nitrogen Oxides (NOx) emissions are minimized adopting different technologies for ICE: Three Way Catalyst and Selective Catalyst Reduction are the main technologies for vehicle applications around the world. • Stellantis continuously makes R&D investments to the improvement of vehicle tailpipe emissions quality and the reduction of greenhouse gas emissions. These investments have led to worldwide development of technical solutions (electrification...) to improve reduction of fossil fuel consumption and pollutant emissions. <ul style="list-style-type: none"> • Share of ZEV¹ in global sales mix in 2021 in EU: 8% of Passenger Cars. On this KPI, the targets are the following: 2025: EU: 34% of Passenger Cars; US: 16% of Passenger Cars + Light Duty Trucks / 2030: EU: 100% of Passenger Cars; US: 50% of Passenger Cars + Light Duty Trucks. • Percentage of nameplates with ZEV¹ offering in 2021 in EU: 15% of Passenger Cars. On this KPI, the targets are the following: 2025: EU: 74% of Passenger Cars; US: 60% of Passenger Cars + Light Duty Trucks / 2030: EU: 100% of Passenger Cars; US: 100% of Passenger Cars + Light Duty Trucks. • In 2021, 73.3% of ICE Passenger Cars were sold with technology for particulate emissions to reach values lower than 1.9 mg per km (or 3 mg per mile) for both spark ignition and compression engines.
<p>4: A mechanism for alerting and for gathering reports on the existence or materialisation of risks</p>	<p>Refer to the paragraph "Reporting concerns - Integrity Helpline" within section 8.3.4 ></p>
<p>5: A system for monitoring measures implemented and for assessing their effectiveness</p>	<ul style="list-style-type: none"> • Emission compliance governance is used, in the form of engineering working groups associated with management oversight regional committees, to report emission compliance operation and policy decisions to the Global Technical Safety and Regulatory Compliance Manager and other Senior Management in Engineering, Planning, Legal, and related organizations, regarding tailpipe emissions, CO₂ emissions, hybrid and battery-electric vehicles all-electric range, evaporative emissions, and On-Board Diagnostics. • These regional committees, all structured of the same manner, are autonomous and include core and contributing members, which are independent and cross-functional, and which allow them to make objective and well-researched decisions. Decisions are made by considering regulatory, technical and legal expertise. Some of the activities include review of technical policy, regulatory assumptions, design rules, program approvals, guidance on emission compliance questions and guidelines.

¹ZEV = Zero Emission Vehicles (Battery Electric Vehicles)

8.3.4. CODE OF CONDUCT, INTEGRITY HELPLINE AND COMPLIANCE CONTROL: TRANSVERSAL MEANS TO REINFORCE OUR VIGILANCE

The means described below apply transversely to the 12 CSR issues included in this vigilance plan.

Code of Conduct

The Stellantis Code of Conduct was approved by the Board of Directors of Stellantis N.V. in March 2021. It applies to the members of the Stellantis Board of Directors, Stellantis's officers, full-time and part-time employees, temporary and contract workers. Stellantis also expects its stakeholders, including suppliers, dealers, distributors, and joint venture partners, to act with integrity and in accordance with the Code. It is the responsibility of all workforce members to report suspected or potential violations of the Code of Conduct.

The Stellantis Code of Conduct focuses on four main areas:

- the protection of the Stellantis workforce, including a commitment to diversity, fairness, and health and safety, and to the United Nations declaration on human rights and the International Labour Organization's declaration on fundamental principles and rights at work;
- the way that Stellantis conducts business, engaging in sustainable practices that promote vehicle safety, quality, data privacy and environmental protection, and that comply with other applicable laws and regulations, such as anti-bribery, anti-money laundering, insider trading and others;
- the interaction of Stellantis's workforce with external parties, including the avoidance of conflicts of interest and the support of our communities; and
- the protection of Stellantis's assets and information.

The Stellantis Code of Conduct is available under the Governance section on the Company's website.

To reinforce ethics and compliance communications, the Ethics and Compliance Committee oversees a multi-year training plan. In 2021, the Company produced and released an online training on the Code of Conduct that was shared with the Stellantis Board members. The training is designed to be user-friendly and viewable on mobile devices. Close to the end of 2021, 77,285 people had individually completed the Code of Conduct online training and confirmed their acknowledgment of the Code of Conduct, comprising 88% of targeted employees.

Reporting Concerns - Integrity Helpline

In 2021, Stellantis merged the former PSA and FCA whistle-blower systems into one single, robust system. The new Stellantis whistle-blower channel is designed to ensure that any suspected violations of our Code of Conduct can be reported, received, and resolved properly and efficiently. Our "Always with Integrity" campaign highlights the availability of the reporting system for all types of concerns, including vehicle safety and regulatory concerns. This system is open to workforce members, business partners and other stakeholders and is accessible on Stellantis's website,

Governance section

Through our internal controls and the use of specialized, independent service providers, the Company's whistleblower channel is designed to protect the confidentiality of persons who make a report. Reports may be made anonymously unless local law provides otherwise.

Reports are investigated as appropriate by trained investigators and subject matter experts, and are tracked until their completion. We apply corrective actions to confirmed violations of the Code.

In addition to the whistleblower channel, workforce members have the ability to raise questions about the Code or reports of potential violations to their direct supervisors and the Human Resources, Compliance, and Legal Departments.

At Stellantis, we do not allow any retaliation against any person who makes a report in good faith or who cooperates in an investigation. Interested parties are allowed to report a concern confidentially and anonymously where allowed by law. Any retaliation is subject to disciplinary action.

Controls

The Internal Audit and Compliance Department includes regulatory compliance and the ethics and compliance program within the scope of its annual audit plan. Pursuant to the department's procedures for the selections of topics for internal audits, the department may choose to review adherence to policies dealing with competition, anti-corruption, data privacy, export controls, and other compliance-related topics.

At appropriate times, the Company selects external parties to conduct audits of specific functions. External Audits performed by independent auditors include topics such as Integrity Helpline, emissions-related regulatory compliance, environmental health and safety, and energy management systems. The Integrity Helpline and compliance with emissions regulations as well as applicable agreements with certain governing agencies are audited by those governmental agencies, while environmental health and safety, and energy management systems are audited by an accredited ISO Certification body.

The Company also conducts a Compliance Assessment to ensure that the Ethics and Compliance Program identifies compliance risks, takes proper steps to mitigate such risks, and does so in an efficient manner. This process includes information from various internal sources, but also incorporates benchmarking from organizations devoted to corporate ethics, such as Ethisphere.

8.4 AUDITOR'S REPORT

The Company decided to obtain an independent auditor's opinion on the truthfulness of the consolidated social, societal and environmental information presented in the CSR Report. The firm Grant Thornton was appointed as independent auditor. The conclusions of this report are presented below.

ASSURANCE REPORT OF THE INDEPENDENT AUDITORS

To the Shareholders,

Our conclusions

We have examined a selection of KPIs included in the accompanying Corporate Social Responsibility report (hereafter: CSR report) for the year 2021 of Stellantis N.V based in Amsterdam. Our examination is aimed to obtain limited assurance for a selection of KPIs (hereafter: the limited assurance KPIs), and reasonable assurance for an additional selection of KPIs (hereafter: reasonable assurance KPIs) (see appendix).

Our limited assurance conclusion

Based on our review nothing has come to our attention that causes us to believe that the limited assurance KPIs are not prepared, in all material respects, in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and applied supplemental reporting criteria as included in section '8. Appendix' of the CSR report.

Our reasonable assurance opinion

In our opinion the reasonable assurance KPIs are prepared, in all materials aspects, in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and applied supplemental reporting criteria as included in section '8. Appendix' of the CSR report.

Other information

Based on our examination, we conclude that the other information included in the CSR Report is consistent with the selected KPIs.

Basis for our conclusions

We performed our examination in accordance with Dutch law, including Dutch Standard 3000A 'Assurance engagements other than audits or reviews of historical financial information'. Our responsibilities under this standard are further described in the section 'Our responsibilities for the examination of the limited assurance KPIs and reasonable assurance KPIs of our report.

We are independent of Stellantis N.V in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in The Netherlands. Furthermore we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch code of ethics).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Reporting criteria

The selection of KPIs need to be interpreted and understood together with the reporting criteria. Stellantis N.V. is solely responsible for selecting and applying these reporting criteria, taking into account applicable law and regulations related to reporting.

The reporting criteria used for the preparation of the selected KPIs are the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and the applied supplemental reporting criteria as disclosed in section '8.1 Reporting scope and methodology' of the CSR report.

The absence of an established practice on which to draw, to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Materiality

Based on our professional judgement we determined materiality levels for the selected KPIs. When evaluating our materiality levels, we have taken into account quantitative and qualitative considerations as well as the relevance of information for both stakeholders and the company.

Limitations to the scope of our examination

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory requirements;
- the compliance of products and services with the applicable regulations.

Scope of the group examination

Stellantis N.V. is the parent company of a group of entities. The selected KPIs incorporate the consolidated information of this group of entities to the extent as specified in '8. Appendix' in the CSR report.

Our examination consisted of both assurance procedures at corporate (consolidated) level and at site level. Our selection of sites in scope of our review procedures and our audit procedures are primarily based on the site's individual contribution to the consolidated information. Furthermore, our selection of sites considered relevant reporting risks and geographical spread.

By performing our review procedures and audit procedures at site level, together with additional review procedures and audit procedures at corporate level, we have been able to obtain sufficient and appropriate assurance evidence about the group's selected KPIs to provide a conclusion about the selected limited assurance KPIs and the selected reasonable assurance KPIs

Responsibilities of the management board for the selected KPIs

The management board is responsible for the preparation of reliable and adequate KPIs in accordance with the reporting criteria as included in the section 'reporting criteria', including the identification of stakeholders and the definition of material matters. The choices made by the management board regarding the scope of the KPIs and the reporting policy are summarised in section '8. Appendix' of the CSR report.

Furthermore, the management board is responsible for such internal control as it determines is necessary to enable the preparation of the KPIs that are free from material misstatement, whether due to fraud or error.

Our responsibilities for the examination of the limited assurance KPIs and reasonable assurance KPIs

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusions.

Our examination performed to obtain limited assurance on the limited assurance KPIs differ in nature and timing and are less extent as compared to reasonable assurance engagements. The level of assurance obtained in a limited assurance engagement is therefore substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our examination to obtain reasonable assurance on the reasonable assurance KPIs has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud.

We apply the 'Nadere voorschriften kwaliteitssystemen' (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our examination included among others:

- performing an analysis of the external environment and obtaining an understanding of relevant social themes and issues, and the characteristics of the Company;
- evaluating the appropriateness of the reporting criteria used, their consistent application and related disclosures in the selected KPIs;
- obtaining an understanding of the reporting processes for the selected KPIs, including obtaining a general understanding of internal control relevant to our procedures;
- identifying areas of the selected KPIs with a higher risk of misleading or unbalanced information or material misstatements, whether due to fraud or error;
- designing and performing further assurance procedures aimed at determining the plausibility of the selected KPIs responsive to this risk analysis. These procedures consisted amongst others of:
 - interviewing management and relevant staff at corporate and local level responsible for the sustainability strategy, policy and results;
 - interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data for the selected KPIs;

- determining the nature and extent of our procedures for the group components and locations. Based thereon we selected the components and locations to visit on site and virtually. The visits to the selected sites are aimed at, on a local level, validating source data and evaluating the design and implementation of internal controls and validation procedures.
- Obtaining assurance information that the selected KPIs reconcile with underlying records of the company;
- assessing relevant internal and external documentation;
- performing an analytical review of the data and trends in the information.
- Evaluating the overall presentation, structure and content of the selected KPIs;
- considering whether the selected KPIs as a whole, including the disclosures, reflects the purpose of the reporting criteria used.

25th March 2022

Grant Thornton France

Vincent Frambourt

Partner

Grant Thornton Netherlands

Max van Rijssel

Partner of Grant Thornton Accountants en Adviseurs B.V.

¹Industrial plants audited: Sochaux, Betim Assembly Plant, Goiana Assembly Plant, Betim Engine & Transmission Plant, Caen, Charleville, Mulhouse, Eisenach, Ruesselsheim, Atessa Sevel Assembly Plant, Melfi Assembly Plant, Turin

APPENDIX

CSR issues	List of selected KPIs Limited Assurance	List of additional selected KPIs Reasonable Assurance
1. Vehicle CO ₂ emissions	Sales-weighted average passenger fleet fuel economy and CO ₂ emissions	Percentage of nameplates with electrified offering Share of LEV in sales mix
2. Industrial and sites carbon footprint	Number of carbon neutral plants	Overall energy consumption Total GHG emissions in kttons of CO ₂ -eq Total decarbonized electricity and total renewable electricity used (and % on total electricity consumed)
3. Carbon footprint of the supply chain		Share of annual purchased value from suppliers with CO ₂ reduction targets compliant with the Paris Climate Agreement
4. Management of Company transformation and social dialogue	Total number of employees hired Turnover rate Leavers on permanent contract Number of fixed-term contract converted into permanent contract	Total headcount
5. Attracting and Developing new Talents	Number of employees covered by long-term incentives	Access rate to training
6. Diversity and Equal opportunity		Total headcount breakdown per gender Total headcount breakdown per nationality
7. Health, safety and well-being in the workplace		Lost-time injury rate Severity rate
8. Development of new mobility solutions		Percentage of Low Emission Vehicles infleeted during the year for car sharing, short and medium term rental, subscription, long term rental
9. Vehicle and service quality - Customer satisfaction	3 months in service repairs rate	Certification to product quality standards (e.g., ISO 9001 or IATF16949) - (% of plants certified)
10. Vehicle safety		Number of recall campaigns Number of initial recall notices and number of vehicles concerned
11. Ethics in business and governance practices	Number of employees trained on ethics policies and procedures regarding Code of Conduct Annual total monetary spending including internal costs for political organizations, lobbyists or lobbying organizations and trade associations	Number of days to provide a personalized first answer on reported concerns regarding potential violations of the Code of Conduct Board gender balance

CSR issues	List of selected KPIs Limited Assurance	List of additional selected KPIs Reasonable Assurance
12. Responsible management of personal information		Percentage of complaints raised by Supervisory Authorities for customer privacy/data protection infringements handled within 1 month
13. Responsible information to customer		Number of convictions of non-compliance concerning product and service information and labeling or marketing communications
14. Wise use of materials in the vehicle life cycle	Availability of solutions for Responsible Life Cycle Management of High Voltage Batteries	Number of nameplates/models on which an LCA have been performed
15. Vehicle impact on air quality		Percentage of nameplates with ZEV offering Share of ZEV in sales mix
16. Optimization of material cycles in manufacturing processes	Percentage of plants with zero waste sent to landfill	Total weight of waste by type Waste normalized/vehicle produced Percentage of waste recovered out of total waste generated
17. Control of industrial discharges and nuisances		VOC emissions from paint shops normalized in g/m ² painted and kg/vehicle produced
18. Sustainable water management in manufacturing	Number of plants located in a high or extremely high water-stressed area	Total water withdrawal Total water withdrawn normalized in m ³ /vehicle produced
19. Protection of biodiversity	Number of plants located < 5 km from a nature protected area.	Percentage of plants that have done a RENATU evaluation
20. Responsible purchasing practices	% Annual Purchase Value purchased from Tier 1 suppliers evaluated on CSR	CSR scores of Stellantis suppliers assessed by Ecovadis
21. Human rights in the supply chain		Average Human Rights scores of Stellantis Tier-1 suppliers assessed by independent third party Assessed suppliers for which corrective action plans have been developed for Human Rights issues
22. Philanthropic actions to support communities	Total amount of philanthropic projects	Total monetary value of the company's philanthropic contributions

8.5 SAFE HARBOR STATEMENT

This document contains forward-looking statements. In particular, statements regarding future financial performance and the Company's expectations as to the achievement of certain targeted metrics, including revenues, industrial free cash flows, vehicle shipments, capital investments, research and development costs and other expenses at any future date or for any future period are forward-looking statements. These statements may include terms such as "may", "will", "expect", "could", "should", "intend", "estimate", "anticipate", "believe", "remain", "on track", "design", "target", "objective", "goal", "forecast", "projection", "outlook", "prospects", "plan", or similar terms. Forward-looking statements are not guarantees of future performance. Rather, they are based on the Company's current state of knowledge, future expectations and projections about future events and are by their nature, subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future and, as such, undue reliance should not be placed on them.

Actual results may differ materially from those expressed in forward-looking statements as a result of a variety of factors, including: the continued impact of unfilled semiconductor orders; the Company's ability to realize the anticipated benefits of the merger; the continued impact of the COVID-19 pandemic; the Company's ability to launch new products successfully and to maintain vehicle shipment volumes; the Company's ability to successfully manage the industry-wide transition from internal combustion engines to full electrification; changes in the global financial markets, general economic environment and changes in demand for automotive products, which is subject to cyclical; changes in local economic and political conditions; changes in trade policy, the imposition of global and regional tariffs or tariffs targeted to the automotive industry, the enactment of tax reforms or other changes in tax laws and regulations; the Company's ability to produce or procure electric batteries with competitive performance, cost and at required volumes; the Company's ability

to offer innovative, attractive products and to develop, manufacture and sell vehicles with advanced features including enhanced electrification, connectivity and autonomous driving characteristics; various types of claims, lawsuits, governmental investigations and other contingencies, including product liability and warranty claims and environmental claims, investigations and lawsuits; material operating expenditures in relation to compliance with environmental, health and safety regulations; the level of competition in the automotive industry, which may increase due to consolidation; exposure to shortfalls in the funding of the Company's defined benefit pension plans; the Company's ability to provide or arrange for access to adequate financing for dealers and retail customers and associated risks related to the establishment and operations of financial services companies; the Company's ability to access funding to execute its business plans; a significant malfunction, disruption or security breach compromising information technology systems or the electronic control systems contained in the Company's vehicles; the Company's ability to realize anticipated benefits from joint venture arrangements; disruptions arising from political, social and economic instability; risks associated with the Company's relationships with employees, dealers and suppliers; increases in costs, disruptions of supply or shortages of raw materials, parts, components and systems used in the Company's vehicles; developments in labor and industrial relations and developments in applicable labor laws; exchange rate fluctuations, interest rate changes, credit risk and other market risks; political and civil unrest; earthquakes or other disasters; and other risks and uncertainties.

Any forward-looking statements contained in this document speak only as of the date of this document and the Company disclaims any obligation to update or revise publicly forward-looking statements. Further information concerning the Company and its businesses, including factors that could materially affect the Company's financial results, is included in the Company's reports and filings with the U.S. Securities and Exchange Commission and AFM.

8.6 ABOUT THIS REPORT

Name of the organization, ownership and legal form

GRI 102-1 GRI 102-5

Stellantis N.V.

Amsterdam, The Netherlands

Netherlands Chamber of Commerce: 60372958

Location of Headquarters

GRI 102-3

Taurusavenue 1,
2132LS Hoofddorp

The Netherlands

Measured by operational indicators, Stellantis sustainable development performance is the subject of annual reporting presented in this report.

Reported period

GRI 102-50

The information and indicators in this report concern the year 2021 and were closed at the end of the period on December 31, 2021 (except for any information or indicators listed in the methodological note).

The majority of the indicators were presented for the first time, as Stellantis birth is recent, coming from the merge of Groupe PSA with FCA Group in January 2021.

Depending the situation, data presented were consolidated or compiled. Consolidation has been preferred as much as possible, while explanations were provided when compilation has been used.

Stellantis intends to report on the future with a relevant history on the changes or the calculation method associated with each indicator. The history will be for three years whenever possible, and could periodically be more than three years when it corresponds to a reference year (for example, before a policy or action plan has been set up).

Reporting Cycle

GRI 102-52

The CSR report is published annually.

Date of publication

GRI 102-51

This CSR Report, covering financial year 2021, was published in April 2021.

Assurance

GRI 102-56

This Report has been submitted to assurance by an external independent audit firm, Grant Thornton, a simplified joint stock company of chartered accountancy and statutory, in accordance with the criteria established in the International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised), issued by the International Auditing and Assurance Standards Board for limited assurance engagements.

Grant Thornton is officially authorized to conduct ISAE 3000 assurance audits. The statement of assurance describing the activities carried out and the expression of opinion is provided [section 8.4](#).

Contact

GRI 102-53

Your opinion is important to us. For questions and comments regarding the report write to :

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Taurusavenue 1,
2132LS Hoofddorp
The Netherlands