A TECHNOLOGY UPDATE ON AUTONOMOUS DRIVING AND CONNECTIVITY

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SAFE HARBOR STATEMENT

This document and the related presentation contain forward-looking statements. In particular, these forward-looking statements include statements regarding future financial performance and the Company’s expectations as to the achievement of certain targeted metrics, including net debt and net industrial debt, revenues, free cash flow, 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 Group’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 Group’s ability to launch new products successfully and to maintain vehicle shipment volumes; 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 and 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 Group’s ability to expand certain of the Group’s brands globally; the Group’s ability to offer innovative, attractive products; the Group’s ability to develop, manufacture and sell vehicles with advanced features including enhanced electrification and autonomous driving characteristics, various types of claims, lawsuits, governmental investigations and other contingent obligations affecting the Group, 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 intense level of competition in the automotive industry, which may increase due to consolidation; exposure to shortfalls in the funding of the Group’s defined benefit pension plans; the Group’s ability to provide or arrange for access to adequate financing for the Group’s dealers and retail customers and associated risks related to the establishment and operations of financial services companies including capital required to be deployed to financial services; the Group’s ability to access funding to execute the Group’s business plan and improve the Group’s business, financial condition and results of operations; a significant malfunction, disruption or security breach compromising the Group’s information technology systems or the electronic control systems contained in the Group’s vehicles; the Group’s ability to realize anticipated benefits from joint venture arrangements; the Group’s ability to successfully implement and execute strategic initiatives and transactions, including the Group’s plans to separate certain businesses; disruptions arising from political, social and economic instability; risks associated with our relationships with employees, dealers and suppliers; increases in costs, disruptions of supply or shortages of raw materials; 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 and the related presentations 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 Group 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, the AFM and CONSOB.
Transportation Service Providers, OEMs and Tier 1s are shaping their plans for the opportunities and challenges of autonomous vehicles.

These advancements are being driven primarily by:

**BUSINESS OPPORTUNITIES**

- Large ride-sharing companies spend upwards of ~70% of revenue on drivers share and incentives
- Transportation-as-a-Service (TaaS) fleets

**CONSUMERS’ DEMANDS**

- Safety, convenience and quality time
- Vehicle able to take over an increasing number of tasks currently performed by the driver
AUTONOMOUS DRIVING
Level of Automation, Cost, Timing

<table>
<thead>
<tr>
<th>LEVEL 1</th>
<th>LEVEL 2</th>
<th>LEVEL 2+</th>
<th>LEVEL 3</th>
<th>LEVEL 4</th>
<th>LEVEL 5</th>
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<tbody>
<tr>
<td>Most functions</td>
<td>Hands on the steering wheel + Responsible for lane changes</td>
<td>Hands off + Eyes on</td>
<td>Steering (and) acceleration/deceleration + Automated lane changes</td>
<td>Hands off + Eyes off (but available to take over)</td>
<td>Hands, Eyes off + Mind off</td>
</tr>
<tr>
<td>Steering (or) acceleration/deceleration</td>
<td>Steering (and) acceleration/deceleration</td>
<td>Automated lane changes</td>
<td>Steering (and) acceleration/deceleration + Automated lane changes (failure: pulls over to side of road)</td>
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DRIVER
SYSTEM
HUMAN
MACHINE

RESPONSIBILITY

AUTOMOTIVE-Grade | Now | Now | 2020 - 2021 | 2023 - 2025 | TBD |

x | 5x | 30x | 60x | TBD |
AD SYSTEM - ARCHITECTURE

**PERCEPTION**
- Radars
- Cameras
- Lidars
- Maps

**PRIMARY CONTROLLER (BRAIN)**
- PRIMARY DRIVING POLICY
  - Optimizes comfort and efficiency
  - Higher weight on AI for decision making

**COMPARE**
Determine optimum safe path

**SECONDARY DRIVING POLICY**
- Optimizes safety
- More traditional rule-based decision making

**BACKUP CONTROLLER (BRAIN)**
Guides vehicle to safe stop if main controller fails

**SENSOR FUSION**
- Radars
- Lidars
- Cameras
- Maps

**MOTION CONTROL**
Convert path to actuation

**ACTUATION**
- Acceleration
- Braking
- Steering
Connectivity is essential and enables the driver and passengers to interact with the car and the world around them.
CONNECTED CARS

• Retrieve and manage in-vehicle and environmental data through the Cloud
• Predict maintenance
• Offer services and information
• Create an engaging experience of Brand-related ownership
• Keep the customer connected to their home and office
CONNECTIVITY SYSTEM LAYOUT AND ARCHITECTURE

ON-BOARD TELEMATIC BOX MODULE (TBM) CONNECTING THE VEHICLE WITH INTERNET AND FCA SERVICE DELIVERY PLATFORM (SDP)
The Service Delivery Platform is a cloud based open architecture:

- Scalable and flexible to support services and technology evolution
- Maximum cybersecurity
- Easy to integrate and interface with any service provider
CONNECTIVITY GENERATES EXTENSIVE BENEFITS TO MULTIPLE STAKEHOLDERS IN THE ECOSYSTEM

**Driver/Passenger**
- Personalized Experience
- Content Notifications
- Operational Health
- Vehicle Alerts
- Contextual Offers

**Fleet Operator**
- Operational Data
- Customer Data
- Fleet Optimization Data

**Service Provider**
- Usage Data
- Telemetry/SW Update
- Recall Notification

**Commands**
- Over The Air Update
- Dealer Specific Offers

**FCA**
- Content
- Service Offers
- Vehicle Health Alerts

**Dealership**
- Operational Data
- Customer Data
- Fleet Optimization Data

**STAKEHOLDERS**
CORE TECHNOLOGIES FOR AD

HIGH-SPEED COMPUTING

COMPUTER-VISION & IMAGE-PROCESSING

EXTENSIVE SOFTWARE DEVELOPMENT INCLUDING AI

SENSOR & SENSING TECHNOLOGY
OPTIONALITY AND CHOICES

**DO…**

- Be present and close to AD developments
- Diversify approach in areas with highest probability of success
- Access pool of technologies through collaborations
- Become beneficiaries of artificial intelligence and machine learning

**DON’T…**

- Pay heavily for the experimentation
- Make bold choices which limits freedom and entails high risk
- Place dependency for success on a single plan or path
- Presume novices can be prescribers
TRANSPORT–AS-A-SERVICE (LEVEL 4 AND 5)

FINANCIAL TIMES

“...global revenues from self-driving technology by 2030 will be up to $2.8tn, with Alphabet’s Waymo potential global leader in the MoD area...”

PRIVATE RETAIL (LEVEL 2+ TO 3)

LEVEL 2+/3 NEEDED FOR COMPETIVENESS

IN MARKETS 2019-2021

TRUE AUTONOMY AS OF 2023

UBS

Forecast 05/2018
FCA TO PARTNER WITH THREE OF THE MAJOR TECHNOLOGY PLAYERS IN AUTONOMOUS DRIVING AND ARTIFICIAL INTELLIGENCE

Waymo
Google’s self-driving technology company

BMW
Premium OEM

APTIV
Tier 1 in AD

FCA TO PURSUE MULTIPLE PATHS
Autonomous Driving
PARTNERSHIP WITH WAYMO
The clear leader in Level 4 technology

Up to 62,000 Pacifica Hybrids over the next three years

- 600 Units in 2018
- 62,600 Units in 2021
- +62,000 Units over the next three years

FCA AND WAYMO BEGINNING DISCUSSIONS ON DEVELOPING A WAYMO-EQUIPPED FULLY SELF-DRIVING VEHICLE FOR FCA RETAIL CUSTOMERS
PARTNERSHIP WITH BMW
Level 3 system for highway application

FURTHER DEFINED PARTNERSHIP STRUCTURE

DEVELOP AUTONOMOUS TECHNOLOGY FOCUSED ON LEVEL 3

FCA Engineers embedded with BMW Teams at BMW’s AD campus near Munich

SHARE RESOURCES INCLUDING DATA FOR VALIDATION & RELIABILITY TESTING

SHARE UNDERLYING INVESTMENTS
PARTNERSHIP WITH APTIV
The most advanced Tier 1 in L2+ systems

EXPANDING COLLABORATION
OF AUTONOMOUS TECHNOLOGY
STUDIES AND DEVELOPMENT PROJECTS

L2+ SYSTEMS TO BE
INTRODUCED IN FCA 2020CY
LAUNCHES
FCA’S MULTI-PRONGED APPROACH:

- Broad Access to a range of technology
- Deliver near-term advancements
- Participate in the MoD/TaaS revenue streams
- Among the first OEMs to retail market