

## **FCA Sustainability-focused Stakeholder Engagement Guidelines**

### **Objectives**

FCA periodically conducts analysis of sustainability-related topics which may be considered material to the Company when determined to be of interest to internal and external stakeholders due to its economic, environmental or social impact. Material aspects include the most important factors that relate to, and have an impact on, FCA's ability to create long-term value for its stakeholders.

Gathering stakeholder input to determine materiality is an ongoing process at FCA. As a global enterprise with a complex, intricately connected value chain, FCA engages with a wide range of stakeholders, including employees, customers, suppliers, dealers, institutions, investors, trade unions, associations and local communities.

Accordingly, FCA strives to execute an effective sustainability-related stakeholder engagement process and to apply this process consistently across our operations and locations worldwide. This document outlines the Group's approach and guiding principles with regard to sustainability-focused stakeholder engagement.

FCA stakeholder engagement is conducted in accordance with internationally recognized frameworks and principles, including the AA1000 Stakeholder Engagement Standard.

The benefits of conducting sustainability-focused dialogue with our stakeholders include:

- gain a better understanding of stakeholder perspectives and expectations
- help FCA to address and respond appropriately to environment/social/governance topics
- build trust and effectively communicate the Company's commitments and results.

### **Scope of the Guidelines**

FCA Stakeholder Engagement provides a general framework for sustainability-related stakeholder engagement activities that may be further developed and customized to better respond to specific activities and/or local needs.

The fundamental steps for stakeholder engagement are:

- identification of the material sustainability topics
- identification of relevant stakeholders
- determination of the method of engagement
- measurement of results and communication to stakeholders

### **Identification of material sustainability topics**

The first step in the engagement process is the identification of the material sustainability topics. The evaluation of material aspects involves consideration of factors such as stakeholder input, FCA Business Plan targets, sustainability targets, corporate values, industry trends, information of interest for investors, societal standards and expectations

### **Identification of stakeholders**

According to the AA1000 Stakeholder Engagement Standard, stakeholders are defined as *“those individuals, groups of individuals or organizations that affect and/or could be affected by an organization’s activities, products or services and by the associated performance with regard to the issues addressed by the engagement.”*

General categories of FCA stakeholders are the following:

- Employees
- Local communities (including students and academia)
- Business partners
- Governments and regulatory authorities
- National and international institutions
- Financial stakeholders/shareholders/Socially Responsible Investors
- Trade unions
- Employee families and other employee organizations
- Contractors
- Customers
- Media and Opinion Leaders
- Non-governmental organizations



### **Determination of engagement method**

FCA involves its stakeholders through a variety of channels depending on the nature of the relationship and the goal of the dialogue we intend to establish.

Possible methods are:

- Questionnaires and surveys (e.g., mail, web-based survey)
- Interviews: direct interaction with stakeholders, opinion leaders, and organizations' representatives
- Focus groups: for a defined group of stakeholders
- Multi-stakeholder workshops: for dialogue between different stakeholder categories about issues of common interest
- Advisory committees: for formal engagement of expertise about relevant issues.

### **Results measurement and communication to stakeholders**

Following the engagement, FCA measures the effectiveness of the engagement activities and ensures that stakeholder engagement outcomes are communicated appropriately. The method of communication may include, for example, the FCA Sustainability Materiality Diagram, a chart that ranks the relative importance of sustainability matters for both internal and external stakeholders. The diagram is evaluated annually and communicated to stakeholders through the FCA Sustainability Report.

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