



Modern Slavery Statement 2021

This Modern Slavery Statement (Statement) is made for the purposes of reporting under the Australian *Modern Slavery Act 2018* (Cth)

1 Introduction

- 1.1 This Modern Slavery Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) (“Act”) by FCA Australia Pty Ltd (ABN 23 125 956 505) (“FCA Australia”, “we”, “us” and “our”) in respect of the actions taken to assess and address modern slavery risks.
- 1.2 FCA Australia recognises the collective efforts of governments, civil society organisations, companies and consumers to eradicate modern slavery. As part of a global company operating in the motor vehicle manufacturing and sales industry, we have a role to play in these efforts and we are pleased to provide insight into the actions we have taken to better understand and manage the risks of modern slavery in our operations and supply chain.
- 1.3 The Stellantis Group acts in compliance with social, environmental and ethical principles such as those identified in the International Labour Organisation (**ILO**) Conventions, the Organisation for Economic Co-operation and Development (**OECD**), OECD Guiding Principles for multinational enterprises, the 2030 UN Sustainable Development Goals (**SDGs**), Universal Declaration of Human Rights (**UDHR**), the Declaration on Fundamental Principles and Rights at Work and the United Nations Convention against Corruption to our suppliers and the UN Global Compact among others.
- 1.4 This Statement sets out the actions taken by FCA Australia to assess and address modern slavery risks within our business for our 2021 financial year, which commenced on 1 January 2021 and ended on 31 December 2021 (**Reporting Period**), and actions taken to address those risks.

2 Our structure and operations

Structure

- 2.1 Our parent company is Stellantis N.V. (Netherlands), a company incorporated as a public limited liability company under the laws of the Netherlands. Stellantis is a global automotive group engaged in designing, engineering, manufacturing, distributing and selling vehicles, components and production systems worldwide (**Stellantis Group**).
- 2.2 FCA Australia has no owned or controlled entities.

Operations

- 2.3 FCA Australia’s principal activities during the course of the year ended 31 December 2021 were the importation, marketing and distribution of passenger motor vehicles, light commercial vehicles and their component parts. FCA Australia makes sales by importing and distributing Jeep, Chrysler, Fiat, Abarth, Fiat Professional, and Alfa Romeo vehicles to dealers.
- 2.4 In the APAC region, Stellantis Group sell vehicles through 100 percent owned subsidiaries, through our joint ventures or independent distributors to local independent dealers. During 2021, we operated as a national sales company in Australia.

- 2.5 At 31 December 2021, FCA Australia had a total of 108 employees, with 26 females and 82 males located in Western Australia, New South Wales, ACT, Queensland and Victoria. Some of these employees are seconded to the India Asia Pacific regional team. Of these employees, 98 are permanent employees with 10 on a fixed-term contract.
- 2.6 FCA Australia employees are free to join any trade union, provided they do so in accordance with local laws and the rules of the related trade union.

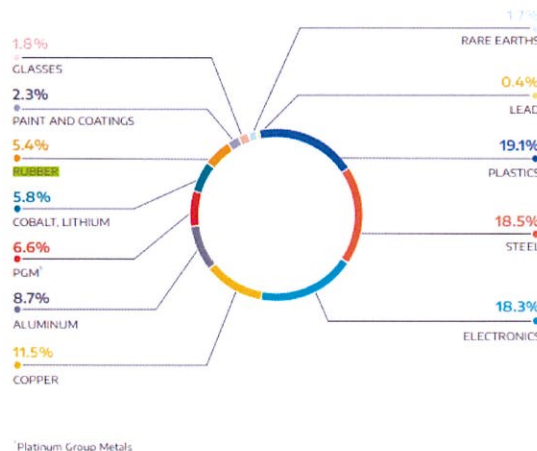
3 Our supply chain

Global supply chain

- 3.1 Our most important suppliers are our related entities that supply us with the vehicles and parts that we import.
- 3.2 Stellantis Group vehicles are manufactured in various locations across the globe. During 2021, FCA Australia imported vehicles from India, USA, Italy, Canada and Poland.
- 3.3 Stellantis Group considers collaboration with its supply chain to be an integral part of its success and, therefore, strives to operate as an integrated team with suppliers. The selection of suppliers is based not only on the quality and on competitiveness of their products and services, but also their adherence to social, ethical and environmental principles.



- 3.4 In 2021, Stellantis Group sourced raw materials globally as outlined in the diagram below. This included a wide variety of raw materials, parts and tyres, supplies, transportation and other goods and services.



FCA Australia - local supply chain

- 3.5 During the Reporting Period, FCA Australia had 179 non-related suppliers primarily supplying goods and services in the following categories (in addition to vehicles and vehicle parts):
- **Vehicle accessories and parts** – includes batteries, radio head units, special tool products, oils, lubricants, preparation, distribution
 - **Information Technology and Telecommunications** – including internet, landline and mobile providers
 - **Indirect products** – office supplies, merchandise management, cardboard packaging
 - **Facilities and Utilities** – includes facilities and utilities, including cleaning and maintenance
 - **Corporate Administrative Services** - logistics, shipping, storage, transportation and customs
 - **Professional Services** – including recruitment, marketing, legal and accounting services
- 3.6 With the exception of vehicles and parts, the majority of FCA Australia’s direct suppliers are based in Australia. Some of these suppliers, however, provide goods that originate from other jurisdictions.

4 Modern slavery risks in our operations and supply chains

Operational risks

- 4.1 We consider that there is a low risk of modern slavery in our operations for the following reasons:
- (1) based on the roles of the FCA Australia’s staff;
 - (2) our compliance with Australia’s comprehensive workplace relations laws, which includes paying all our staff in excess of minimum wage; and
 - (3) the policies and procedures we have in place to protect our workers.

Our supply chain and modern slavery risks

- 4.2 One of our most salient supply chain risk relates to the procurement and use of raw materials in the manufacture of Stellantis Group cars and parts. These types of raw materials used in the manufacturing of goods and services for the automotive industry may lead to human rights impacts in our extended supply chain.
- 4.3 Raw material risks in our extended supply chain include natural rubber, leather, cobalt, mica, bauxite, aluminium, nickel, and lithium used to manufacture car battery chemicals. Many of the advanced technologies in vehicles - require the use of 3TG minerals (e.g. tin, tantalum, tungsten and gold) that are commonly mined in conflict affected and high-risk areas. The tyre industry consumes around 70% of the world’s natural rubber. Most of the world’s rubber today comes from Southeast Asia. As demand grows, so too does pressure to convert ecologically valuable and sensitive tropical forests into more rubber plantations which, in turn, puts pressures on local communities that could threaten their fundamental human rights. This risk is predominantly driven by the jurisdiction, or region, in which the parts are manufactured.



- 4.4 We are aware of the inherent risks in the shipping industry and that, given that the vehicles imported by FCA Australia arrive by ship, that this risk forms part of our overall supply chain risk. Like most entities, we also have modern slavery risk in the technology and telecommunications hardware we use for our business, cleaners and uniforms.
- 4.5 More details are available in the Stellantis Group [Corporate Social Responsibility \(CSR\) Report 2021](#).

5 Addressing modern slavery risks

In our operations

- 5.1 Stellantis Group social relations strategy is based on six commitments that Stellantis Group:
- (1) will uphold the UDHR and supports decent work and a more equitable work environment;
 - (2) is committed to complying with all applicable labour laws and regulations and aims to apply best practices in human resources management;
 - (3) bases social dialogue on relationships with independent labour unions and employee representatives and seeks workplace cooperation;
 - (4) is engaged in collective bargaining to find pragmatic, inclusive and protective agreements;
 - (5) fosters social dialogue by managers in the field on a daily basis;
 - (6) monitors social indicators in all subsidiaries and globally discloses in a transparent manner to its stakeholders.

Code of Conduct

- 5.2 The Stellantis Code of Conduct (the “**Stellantis Code of Conduct**”) was approved by the Board of Directors of Stellantis Group in March 2021. It applies to the members of the Stellantis Board of Directors, its officers, full-time and part-time employees, temporary and contract workers. Stellantis Group also expects its stakeholders, including suppliers, dealers, distributors, and joint venture partners, to act with integrity and in accordance with the Code.
- 5.3 The Stellantis Code of Conduct is a pillar of our integrity system, regulating the decision-making processes and operating approach of Stellantis Group and its employees. The Stellantis Code of Conduct guides the Group and its workforce ensuring compliance with laws, regulations, and best practices.
- 5.4 The Stellantis Code of Conduct focuses on four main areas:
- (1) the protection of its workforce, including a commitment to diversity, fairness, and health and safety, and to the UDHR and the ILO’s declaration on fundamental principles and rights at work;
 - (2) the way that Stellantis Group 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;
 - (3) the interaction of its workforce with external parties, including the avoidance of conflicts of interest and the support of our communities; and
 - (4) the protection of its assets and information.
- 5.5 All 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. Our Whistleblower protections are described further below.

- 5.6 The [Stellantis Code of Conduct](#) is available under the Governance section on the Stellantis website.

Reporting Concerns

- 5.7 In 2021, Stellantis Group adopted a new Stellantis whistleblower channel which 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.
- 5.8 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.
- 5.9 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.
- 5.10 In 2021, the Stellantis Integrity Helpline was launched. The Integrity Helpline allows employees, suppliers, clients and other stakeholders to report any concerns about situations inconsistent with our Code of Conduct. The Stellantis Integrity Helpline is available for use in Australia.
- 5.11 The [Stellantis Integrity Helpline](#) is available on the Governance section of the Stellantis’ website.

Internal Training

- 5.12 Stellantis is committed to management training, to prepare managers for the new challenges of Stellantis Group and supplier training to deter against human rights violations. Stellantis Learning Team keeps expanding its digital training catalogue through two Learning Management Systems: 58% of training hours were attended via digital learning. FCA Australia has an internal Code of Conduct training completion rate of 94% of staff allocated the training, which included modern slavery and human rights content.
- 5.13 In 2021, Stellantis Group produced and released an online training on the Code of Conduct that was shared with the Stellantis Board members.

In our supply chain

- 5.14 Stellantis Group has many initiatives that focus on responsible purchasing practices to support its development in host territories. The activities are designed to support local sourcing development while providing measures that mitigate risks from suppliers and subcontractors.
- 5.15 To support the supplier assessment process on CSR criteria and make it more robust, Stellantis Group has embarked on an assessment of its Tier 1 supply base using criteria related to the environment, workforce, ethics and subcontracting chain.

Modern slavery supplier contractual clause

- 5.16 FCA Australia’s standard supplier agreements include modern slavery supplier terms, which oblige our suppliers to take all reasonable steps to ensure its suppliers do not engage in any form of modern slavery. They also compel our suppliers to undertake due



diligence in its selection of suppliers, and continually monitor and audit its own suppliers for this purpose. FCA Australia also holds audit rights over suppliers that have this standard modern slavery clause in the supplier agreement.

Procurement Governance

- 5.17 Global Purchasing and Supply Chain (**GPSC**) is the interface between Stellantis Global and its suppliers.
- 5.18 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.
- 5.19 GPSC coordinates actions at different levels: centrally, in its international sites and within its various local offices spread globally.
- 5.20 GPSC's 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. The GPSC also focuses on Raw Material management and applies due diligence using a risk matrix for specific materials.

Responsible Purchasing Guideline

- 5.21 Stellantis Group 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 Guideline \(Guidelines\)](#), which has specific attention on compliance with social and ethical principles.
- 5.22 The [Guidelines](#) prescribe the following commitments for suppliers:
 - (1) uphold freedom of association and the effective recognition of the right to collective bargaining;
 - (2) eliminate all forms of forced labour and child labour;
 - (3) eliminate discrimination in respect of employment and occupation;
 - (4) ensure remuneration to at least equal to the minimum amount mandated by applicable laws and regulations;
 - (5) ensuring that working hours and compensation must be fair and comply with applicable laws, regulations, standards, collective bargaining and practices applicable in countries where it operates; and
 - (6) respect for health and safety at work.

Stellantis Group asks its suppliers to acknowledge the deployment of the above principles throughout their supply chain.

The Supplier selection and retention in the Stellantis Supplier panel are guided by corporate and social responsibility (CSR) criteria

- 5.23 The acknowledgement conveys suppliers' agreement to comply with these [Guidelines](#) as a pre-requisite to becoming a Stellantis Global supplier and developing a lasting business relationship with Stellantis or its affiliates.
- 5.24 Where non-compliance with the Guidelines is identified, our policy requires that suppliers implement an action plan to put in place corrective actions to bring their performance into line and shall provide Suppliers technical support to jointly define the required remedies. Non-compliance with the principles the Guidelines, is considered to be a material breach that may justify termination of a supplier relationship under the applicable terms and conditions of purchase.



Regulated materials in the extended supply chain

- 5.25 Stellantis Group is conscious of the risks inherent in the extraction of raw materials for use in the manufacturing of good and services in the automotive industry. As a response to this risk, the Group has adopted the following mitigating strategies:
- (1) ethical and conscientious procurement practices during the mineral extraction, trade and processing stages;
 - (2) conduct due diligence activities to provide supply chain transparency and smelter validation;
 - (3) training to provide suppliers with Stellantis' expectations and tools and resources to supplier development;
 - (4) supplier Business Review meetings to reinforce the alignment of objectives and legal obligations to continue the ongoing relationship with Stellantis;
 - (5) ongoing partnership with RCS Global, a recognised organisation that serves to support responsible mineral sourcing and works to deploy best practices;
 - (6) use of materials, such as cobalt to eliminate the use of the subject material and 3TGs from verified 'conflict free' sources to support green and local sourcing initiatives;
 - (7) redesign goods and services to eliminate the use of 3TGs;
 - (8) vertical integration for secured mineral supply;
 - (9) access to regulated markets on human rights aspects;
 - (10) automate the process.

Supplier Training

- 5.26 Stellantis Group pays particular attention to supplier training and provides them with tools that enable them to rapidly identify and react to risk situations. Training for buyers and suppliers on human rights includes:
- (1) Sustainability-related topics such as responsible working conditions and conflict minerals.
 - (2) Human rights principles to evaluate and improve their performance and how to build robust internal processes supporting human rights.

Implementation of EcoVadis software

- 5.27 EcoVadis is the world's largest and most trusted provider of business sustainability ratings through effective questionnaires and data collation.
- 5.28 Stellantis Group identifies human rights risk by commodity for both direct and indirect material purchases using third-party assessment in EcoVadis rating framework. Human rights risk profiles on internal commodities were developed, as well as country based human rights risk which includes 206 categories for 144 countries. Supplier human rights performance assessments were also entered in the EcoVadis database.
- 5.29 The EcoVadis results for 2021 include:



- (1) the average score 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
- (2) 71% Overall Supplier Sustainability score is classified as Good (ratings higher than 45 Points);
- (3) there were 333 suppliers for which corrective action plans have been developed for Human Rights issues, which is 13% of the total assessed or audited suppliers.

6 Assessing the effectiveness of our actions

- 6.1 Our modern slavery program is overseen by the FCA Australia Procurement department with the responsible officer being the Procurement Manager.
- 6.2 During the course of the next reporting period, FCA Australia will seek to:
 - (1) continue to comply with our Code of Conduct and the respect for human rights by our partners and subcontractors by requiring contractual commitments to respect human rights.
 - (2) monitor our whistleblowing channels and grievance mechanisms to identify whether any reports reflect modern slavery incidents or risks.
 - (3) undertake annual surveys of our local and global suppliers in relation to human rights and other sustainability risks.
 - (4) design a process to require our suppliers to sign the Global Responsible Purchasing Guidelines to comply with the social, compliance, sustainability, training environmental responsibility.
 - (5) provide training to our employees that conduct or support the procuring of goods and services regarding modern slavery.

7 Other

- 7.1 Stellantis Group receives input from NGOs and actively collaborates with them on a partnership level. For example, Stellantis Group collaborates with selected NGO's on mica and leather programs.

Approach to COVID-19

- 7.2 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.
- 7.3 One of the goals to promote health and safety is to prevent illness clusters from the COVID pandemic. 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.
- 7.4 To handle COVID-19 crisis, Stellantis Group built common health protocols and unique protection measures. Changes to measures were explained through discussions with managers, unions, health and safety professionals. Stellantis Group supported local

vaccination policy and enabled employees to be vaccinated, through government vaccination programs, or, when possible, through internal vaccination centres. Globally, more than 24,728 employees were vaccinated internally.

- 7.5 Stellantis Group conducted weekly meetings with COVID-19 Committees including key stakeholders such as Stellantis physicians and nurses, corporate employees, 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.
- 7.6 FCA Australia's head office is located in Melbourne, Victoria and was bound by the Victorian Government's COVID-19 restrictions and health and safety directives. FCA Australia's management conducted regular reviews of its COVID-19 policies and protocols to ensure compliance with the Victorian Government's directives and protect staff members' ongoing health and safety.

8 Consultation and approval

- 8.1 FCA Australia does not have any owned or controlled entities, so did not need to engage in consultation with any such entities.
- 8.2 This Statement was prepared by the human resources, legal and procurement teams.
- 8.3 This statement was approved by the FCA Australia board of directors.

Signed by:

A handwritten signature in black ink, appearing to be "Kevin Flynn", written over the printed name and title. The signature is stylized and somewhat illegible.

Kevin Flynn
Managing Director



Annexure A– Reporting Criteria

Reporting Criterion	Page
1 & 2. Identify the reporting entity and describe its structure, operations and supply chains	1 & 2
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	3
4. Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	4
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	8
6. Describe the process of consultation with any entities the reporting entity owns or controls	9
7. Any other relevant information	9