



# Business model, Governance and Sustainability

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Commitment: Strengthen worldwide the Group's leadership position on Environment, Social and Governance aspects throughout the entire company and for the benefit of stakeholders			
Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Increase engagement of Group stakeholders on sustainability aspects</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: extend and innovate the dialogue on sustainability topics reaching and increasing number of internal and external Group stakeholders worldwide</li> </ul>	<ul style="list-style-type: none"> <li>● More than 70 stakeholders representing customers, dealers, suppliers, opinion leaders, media, academia and the environment engaged in sustainability-focused Stakeholder Engagement Events in Italy, Brazil and the US, with results reported to management of each region and to the Nominating, Corporate Governance and Sustainability Committee</li> <li>● Stakeholder Engagement Guidelines available on corporate website</li> <li>● Sustainability course available on unrestricted basis and delivered to approx. 14,550 Group salaried employees worldwide in addition to all Fiat professionals worldwide and approx. 17,000 Chrysler Group salaried employees and contract workers who took the course in 2012</li> <li>● Awareness workshop on sustainability delivered to about 20 representatives of EMEA Human Resource function in Turin (Italy) and 2 employee Town-Hall events held in Detroit (US)</li> <li>● Sustainability network working groups convened 4 times in the US with about 40 representatives of every function across the company</li> <li>● 3 initiatives on sustainability involving more than 19,000 employees in Brazil</li> <li>● Magneti Marelli START publication on sustainability distributed to all managers and professionals worldwide</li> <li>● Sustainability-focused summer intern program at Chrysler Group and 9 universities across the US engaged in sustainability-focused discussions</li> <li>● More than 50 Brazilian employees and suppliers engaged in sustainability materiality discussion</li> <li>● 13 small and medium size suppliers involved in sustainability training in Italy</li> <li>● 60 small and medium size suppliers involved in sustainability training in the US</li> <li>● Sustainability results incorporated in Fiat S.p.A. 3<sup>rd</sup> Quarter 2013 Results provided to investors and financial analysts</li> <li>● Around 6%<sup>(1)</sup> of Fiat S.p.A. free float shares held by Socially Responsible Investors</li> <li>● Additional integrated KPIs and materiality-driven indicators monitored and reported in 2013 Sustainability Report, Interactive Report and in 2013 Annual Report, in accordance with GRI-G4 Sustainability Guidelines and taking into account International &lt;IR&gt; (Integrated Reporting) Framework principles and contents</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Update of Key Performance Indicators (KPIs) monitored, focusing on a comprehensive approach to corporate reporting that covers the full range of factors contributing to value creation over time</li> </ul>		

<sup>(1)</sup> Data refers to Vigeo Shareholders Identification registered in November 2013.

Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Continuous improvement of sustainability performance	▶ 2020: ongoing confirmation with Group financial and non-financial stakeholders on the relevance of global and regional recognitions of Group sustainability performance	<ul style="list-style-type: none"> <li>● Fiat S.p.A. recognized among sustainability leaders and confirmed in the indices: Dow Jones Sustainability Index World and Dow Jones Sustainability Index Europe, Carbon Disclosure Leadership Index (CDLI) Italy 100, Carbon Performance Leadership Index (CPLI) Italy 100, Euronext Vigeo Europe 120, Euronext Vigeo Eurozone 120, ESI Excellence Europe, STOXX Global ESG Leaders, STOXX Global ESG Environmental Leaders, STOXX Global ESG Social Leaders, STOXX Global ESG Governance Leaders, ECPI Euro Ethical Equity, ECPI Emu Ethical Equity, ECPI Global Developed ESG Best in Class Equity, FTSE ECPI Italia SRI Benchmark, FTSE ECPI Italia, SRI Leaders and Parks GLBT Diversity Index</li> </ul>
	▶ Incorporation of sustainability targets in performance management systems	▶ 2020: incorporate on a yearly basis sustainability targets in performance management processes and systems for an increasing number of employees	<ul style="list-style-type: none"> <li>● Incorporation of sustainability targets in performance management system for 100% of individuals with responsibility for projects included in the 2013 Fiat S.p.A. Sustainability Plan, for Group Executive Council members and selected second-level reports to company CEOs</li> <li>● Environmental and social targets continued to be applied to variable compensation system of approximately 210 Mass-Market and Premium Brand SQE managers and their teams</li> </ul>
	▶ Assessment of Fiat S.p.A. Board of Directors' performance and attendance monitoring	▶ 2014: conduct annual self-assessment of Board of Directors' performance	<ul style="list-style-type: none"> <li>● Annual self-assessment of Board of Directors' performance completed and average attendance of members at Board of Directors meeting monitored: 98%</li> </ul>
	▶ Incorporation of Human Rights Principles into standard audit procedures	▶ 2020: further incorporation of respect for Human Rights, already included in Code of Conduct, into Group audit processes, according to local requirements and constraints	<ul style="list-style-type: none"> <li>● Code of Conduct Survey Program continued and improved</li> <li>● Human rights risk assessment regarding child labor, young workers, labor practices, forced labor, non-discrimination, conditions of employment, security and supply chain management implemented as part of the Fiat S.p.A. standard audit process in EMEA, LATAM and APAC to ensure coverage of due diligence requirements of the UN Ruggie Framework Guiding Principles</li> </ul>
	▶ Continuous update of compliance system to maintain alignment with international best practices	▶ 2014: identification of common IT functionality and system requirements with only those variances necessary to address unique needs of each organization, to support convergence of Chrysler Group and Fiat S.p.A. compliance principles, procedures and processes	<ul style="list-style-type: none"> <li>● Convergence continued on most relevant areas of Chrysler Group and Fiat S.p.A. compliance principles, procedures and processes with respect to the identification and assessment of internal controls and enterprise risk management</li> <li>● IT functionality to support convergence of Chrysler Group and Fiat S.p.A. compliance principles, procedures and processes under definition</li> <li>● Anti-bribery training sessions performed for worldwide Senior Management, focused on Anti-corruption topics such as FCPA, Italian Corporate Criminal Liability Law, Export Controls and related Fiat and Chrysler principles</li> <li>● New Anti-Corruption Policy approved for Chrysler Group, which updates and consolidates the Company's anti-corruption rules and procedures</li> <li>● Further update of the risk audit map according to international legal framework and drawing up of Compliance Programs in relevant Group companies within the EU, particularly in Poland, Germany and UK</li> </ul>

Commitment: Continuously update the risk management system to ensure business continuity and monitor as well as prevent climate change risks among others			
Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Continuous update of the Enterprise Risk Management (ERM) system	▶ 2014: integration of ERM risk drivers for risk related to deforestation	
	▶ Enhancement of capabilities and tools available to the Group for identifying, measuring, analyzing and managing pure risks with a focus on risks related to climate change, earthquakes and other environmental events	▶ 2020: prevent and manage the occurrence of new emerging risks to ensure business continuity and minimize economic, environmental and social impacts inside and outside the Group	+ Fiat S.p.A. and Chrysler Group loss-prevention databases and methodologies converged, with activities and results achieved reported to internal and external stakeholders using a Loss Prevention Stewardship Report ◐ Transit Insurance Program consolidated at Group level ● Quantitative methodology developed by Risk Management S.p.A. to identify the main sites potentially exposed to meteorological risks, including: <ul style="list-style-type: none"> <li>▶ rainwater risks assessment methodology, already applied to all recent major industrial projects such as Maserati Grugliasco (Italy), Melfi (Italy), Kragujevac (Serbia), Betim (Brazil) and Pernambuco (Brazil)</li> <li>▶ new snowstorm, rainstorm and hailstorm risks alert service implemented at 8 industrial complexes in Italy and 1 parking lot in Serbia</li> </ul>
		▶ 2014: fine tuning and extension of methodology to significant Italian sites	+ Earthquake methodology to identify potentially vulnerable sites, upgraded and extended, together with practical Risk Mitigating Guidelines (7 major industrial sites analyzed, in addition to 1 Mexican, 1 Turkish and 22 Italian sites where the methodology was applied in 2012 and 2011)
		▶ 2014: execution of specific audits to identify areas of improvement	● 69% of Fiat total insured value assessed and analyzed in 2012-2013, with 8 sites in Italy assessed through self-evaluation and external audits
	▶ Continuous update of pure risk management to maintain alignment with international best practices	▶ 2015: coordination of loss prevention activities with Business Continuity Management; creation of business resilience plans for all higher-risk facilities and supporting functions; integration of process within World Class Manufacturing framework	● A Business Continuity governance structure implemented and business impact analyses completed for all higher-risk facilities and supporting functions

## Product innovation and responsibility

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Commitment: Minimize environmental impacts related to the use of products by reducing vehicle CO<sub>2</sub> emissions, focusing on alternative fuels and propulsion systems and engaging customers in eco-responsible behavior

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Introduction and development of a diversified portfolio of technological solutions for continuous improvement of vehicle efficiency by:                             <ul style="list-style-type: none"> <li>▶ optimizing the ecological performance of engines and transmissions (TwinAir, MultiJet II, Pentastar, Tigershark, TorqueFlite 8, EtorQ, Fire Multiair)</li> <li>▶ reducing vehicle energy demand (weight, aerodynamics and rolling resistance)</li> <li>▶ improving energy management (thermal and electrical energy management optimization, waste heat recovery)</li> <li>▶ maintaining a broad offering of alternative fuels vehicles (CNG, Flexfuel, Tetrafuel)</li> <li>▶ developing affordable alternative propulsion systems (hybrid, electric)</li> <li>▶ providing on-board devices to foster customer engagement in eco-driving</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: 40% reduction in CO<sub>2</sub> emissions vs 2006 from Mass-Market and Premium Brand cars sold in Europe, maintaining high levels of competitiveness <i>Note: 2006 baseline defined in line with the European regulation 443/2009 impact assessment</i></li> <li>▶ 2020: at least 5% to 15% improvement in fuel economy<sup>(1)</sup> of the new Chrysler Group vehicle compared with the vehicle replaced, aligned with major vehicle renewals</li> <li>▶ 2025: actively pursue actions in support of the US EPA/NHTSA industry goal of 54.5 mpg</li> <li>▶ 2017: at least 6.8%<sup>(2)</sup> reduction in CO<sub>2</sub> emissions on average fleet vs 2012 in Brazil</li> <li>▶ 2015: continuation of leadership position for natural gas vehicles in Europe</li> </ul>	<ul style="list-style-type: none"> <li>● Reduction of 18% in CO<sub>2</sub> emissions in Europe vs 2006 and of 24% vs 2000 while increasing product offer across Mass-Market and Premium Brands</li> <li>● 25% of cars sold in Europe recorded emissions at or below 110 g CO<sub>2</sub>/km (of which 13% below 100 g CO<sub>2</sub>/km) and 81% at or below 130 g CO<sub>2</sub>/km</li> <li><span style="color: blue;">+</span> 14% of car versions (model/engine) of Fiat Group Automobiles brands (Fiat, Alfa Romeo, Lancia, Abarth) offered with emissions at or below 100 g CO<sub>2</sub>/km</li> <li>● 4% improvement in average fuel economy and 4% improvement in average CO<sub>2</sub> emissions for passenger cars and light duty trucks achieved in the US vs 2012</li> <li>● Market leadership maintained for natural gas vehicles in Europe: more than 67% market share with a total of more than 62,000 natural gas vehicles sold in 2013, and almost 600,000 natural gas vehicles produced since 1997</li> <li>● Largest natural gas range offered in Europe with a total of 12 models (Fiat 500L and 500L Living launched in 2013, Panda, Punto, Qubo, Doblò, Panda Van, Punto Van, Fiorino, Ducato, Doblò Cargo, Lancia Ypsilon)</li> <li>● Natural gas technology extended to Fiat 500L and 500L Living</li> <li>● Highly-efficient natural gas dedicated TwinAir engine version developed in Centro Ricerche Fiat</li> <li>● Flexfuel vehicle technology extended to Tigershark engines in the US</li> <li>● New biodiesel-capable US products introduced on Ram 1500 EcoDiesel, Ram 2500 and 3500 TurboDiesel and Grand Cherokee EcoDiesel</li> <li>● Over 744,100 Fiat Flexfuel and TetraFuel vehicles sold in Brazil (representing almost 97.5% of total sales)</li> <li>● Flexfuel vehicle technology extended to Fire Multiair engine, Fiat 500 model in Brazil</li> <li>● Largest Fire EVO engine application in Brazil (new Fiorino launched in 2013, new Uno, new Palio, Grand Siena, Punto, Fiat 500)</li> </ul>

<sup>(1)</sup> Data is reported to the US National Highway Traffic Safety Administration (NHTSA) and provided by model year, meaning the year used to designate a discrete vehicle model, irrespective of the calendar year in which the vehicle was actually produced, provided that the production period does not exceed 24 months. CAFE standards from NHTSA are set independently for passenger cars and light duty trucks. Fuel economy is based on the most recent NHTSA required submission, which for 2013 reflects mid-model year data. Previous year data is adjusted to reflect final EPA/NHTSA reports.

<sup>(2)</sup> Brazil's INOVAR-Auto program establish a minimum average vehicle energy efficiency for 2017 expressed in megajoules per kilometer (MJ/km). The goal of energy efficiency of each company will be determined by the mass weighted by sales volume.



**Commitment: Minimize environmental impacts related to the use of products by reducing vehicle CO<sub>2</sub> emissions, focusing on propulsion systems and engaging customers in efficient-responsible behavior**

Scope	Actions	Future Targets	2013 Results
Luxury and Performance Brands - Maserati	<ul style="list-style-type: none"> <li>▶ Introduction and development of a diversified portfolio of technology solutions for continuous improvement of efficiency of vehicles by:                             <ul style="list-style-type: none"> <li>▶ optimizing engines and transmissions efficiency</li> <li>▶ reducing vehicle energy demand (weight, aerodynamics and rolling resistance)</li> <li>▶ improving energy management (thermal and electrical energy management optimization, waste heat recovery)</li> <li>▶ developing affordable alternative propulsion systems (i.e. hybrid)</li> <li>▶ providing on board devices to foster customer engagement in efficient driving behavior</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▶ 2015: extension of Start&amp;Stop feature to all gasoline engines of Quattroporte and Ghibli with expected -6% on CO<sub>2</sub> emissions vs 2013 models</li> <li>▶ 2020: reduce CO<sub>2</sub> emissions by 30% vs 2008 on entire product range</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">+</span> New Models Ghibli and Quattroporte with V6 Diesel Engine introduced with 35% lower CO<sub>2</sub> emissions compared to the V6 gasoline engine</li> </ul>
Luxury and Performance Brands - Ferrari		<ul style="list-style-type: none"> <li>▶ 2020: reduce CO<sub>2</sub> emissions by 12% s vs 2012 on entire product range</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">+</span> -50% in CO<sub>2</sub> emissions on LaFerrari vs Enzo</li> <li><span style="color: #0070C0;">●</span> Hybrid car production started with LaFerrari</li> </ul>

**Commitment: Offer new mobility services that grant greater access to affordable solutions as well as improve the urban mobility experience**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Access to, and improved quality of, traffic information systems</li> <li>▶ Address customer needs by researching future trends, defining new services and investing in research and innovation</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2014: availability of traffic services on 80% of product range in Europe</li> <li>▶ 2020: ongoing research, advance development and provision of new sustainable mobility concepts that are economically viable for the Group and its customers</li> <li>▶ 2016: extension of Fiat Likes U to European countries and establishment of an international network with major universities</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">●</span> More than 90% of models offered in Europe with traffic service available</li> <li><span style="color: #0070C0;">●</span> 24% of Chrysler Group vehicles sold in the US are equipped with SiriusXM Traffic services</li> <li><span style="color: #0070C0;">●</span> Ongoing activities to explore new sustainable mobility services and anticipate evolving consumer needs and behaviors:                             <ul style="list-style-type: none"> <li>▶ involvement in Enjoy, the new car sharing service launched in Milan (Italy) by ENI (major Italian energy company), in partnership with Fiat and Trenitalia</li> <li>▶ the Group is an official global partner of Expo Milano 2015, providing low emission cars for sustainable mobility services</li> <li>▶ projects devoted to research, development and experimentation of innovative technologies for new mobility models (e.i.: cooperative systems, vehicle to vehicle and vehicle to infrastructure communication systems, comfort in vehicle and special needs)</li> <li>▶ engagement in the US in research on future social and technological trends around five driving forces: cities, lifestyle, work, health and energy</li> </ul> </li> <li><span style="color: #0070C0;">●</span> Fiat Likes U project successfully continued in Italy (car-sharing service used by over 6,000 students who made approx. 28,000 trips totaling more than 320,000 kilometers in the period 2012-2013) and extended to the UK</li> </ul>

**Commitment: Assess environmental and social impacts throughout the entire product life-cycle from raw materials to recycling and recovery**

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Analysis of environmental impacts of vehicles, components and/or manufacturing processes</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: deliver and certify new product (vehicles and components) with optimal environmental profile by embedding Life Cycle Assessment (LCA) methodology according to ISO 14040/44<sup>(1)</sup></li> <li>▶ 2014: integrate LCA in the NAFTA region by piloting one vehicle through the product development process</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> Life Cycle Assessment analysis carried out and completed for the comparison of the environmental profiles of the Fiat 500L natural gas version with its gasoline-engine counterpart</li> <li><span style="color: green;">●</span> Three pilot projects launched by Magneti Marelli and supported by CRF and the University of Florence; LCA results of Magneti Marelli case studies on automotive products released:                             <ul style="list-style-type: none"> <li>▶ LCA of Alfa Romeo Giulietta: comparison of environmental impact of a currently manufactured suspension arm and one made completely of steel and different lightweighting solutions for materials (primary and secondary aluminum and polymers with glass fiber, steel and polymers both with glass fiber and carbon fiber)</li> <li>▶ LCA of headlamp reflector made by Magneti Marelli Automotive Lighting: comparison of environmental impact of a thermoset and lighter, thermoplastic version</li> <li>▶ LCA of integrated air-fuel manifold made by Magneti Marelli Powertrain: comparison of environmental impact of a polyamide manifold and an innovative, polypropylene version</li> </ul> </li> <li><span style="color: green;">●</span> Implementation of LCA methodology within LATAM region, with one new project focused on the use of biodiesel from cooking frying oil as fuel for minibuses engines employed for people transport inside Fiat site</li> <li><span style="color: green;">●</span> Knowledge of methodology increased and Magneti Marelli know-how about LCA specific software and applications in automotive industry improved</li> <li><span style="color: green;">●</span> 3 projects concluded and 2 new ones launched</li> <li><span style="color: green;">●</span> Structural approach to support and coordinate Business Lines' workability</li> <li><span style="color: green;">●</span> Extension and involvement of Business Lines quantified through a dedicated KPI</li> <li><span style="color: green;">●</span> Tool introduced to link the Environment and Energy Pillars in WCM methodology</li> <li><span style="color: green;">●</span> Research and development activities with Magneti Marelli completed; new projects with other key suppliers (e.g., Adler) in process</li> <li><span style="color: green;">●</span> LCA analysis on a biopolymer (PHB, polyhydroxybutyrate) and recycled polymers (PP, Polypropylene from battery rack) reinforced with natural fillers (corn, wood and flax) completed and applied to a glove box component of a small vehicle (to compare this component with the one currently made of polypropylene reinforced with talcum)</li> <li><span style="color: green;">●</span> Inventory phase of MATRECO project materials and processes continued according to ISO-14040 series</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2014: ongoing development of LCA activities and in-house exploration for the definition of a target for 2020, gradually built and based on analytical data</li> <li>▶ 2014: incremental extension of LCA application to all Magneti Marelli Business Lines</li> <li>▶ 2014: extension of specific training to new Magneti Marelli employees involved</li> <li>▶ 2014: definition and application of KPIs</li> <li>▶ 2015: involvement of selected suppliers in the EMEA region in common research and development of projects based on LCA analysis aimed at evaluating the environmental impacts of strategic vehicle components</li> <li>▶ 2015: integration of eco-design guidelines tailored to the automotive sector and based on LCA analysis, in the approach to vehicle development</li> <li>▶ 2014: LCA analysis on biopolymers and polymers with natural filler as part of the MATRECO project for the development of vehicle interiors</li> </ul> <p><i>Note: the MATRECO project is focused on the development for the automotive sector of composites based on vegetable fibers and renewable materials with low environmental impact</i></p>	

<sup>(1)</sup> The LCA results will support the strategic product planning definition and the related product development process.



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 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Analysis of environmental impacts of vehicles, components and/or manufacturing processes</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2014: completion of LCA analysis for the European <i>NANOPIGMY</i><sup>(1)</sup> project</li> <li>▶ 2015: completion of LCA analysis of body pre-paint process, comparing chemical substances used in normal production with innovative ones involved in this process</li> </ul>	<ul style="list-style-type: none"> <li>● Inventory phase of the European <i>NANOPIGMY</i> project for the development of functionalized pigments for innovative interior components and advanced exterior paints released</li> <li>● LCA of the <i>NANOPIGMY</i> project continued according to ISO-14040 series</li> <li>○ Target postponed due to realignment of new priorities following the commitment to carry out LCA analyses on new type-approved vehicles, to include logistic factors and comparison of different engine types</li> </ul>

**Commitment: Strengthen worldwide the focus on a sustainable materials strategy**

Scope	Actions	Future Targets	2013 Results
Mass Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Establishment of operational procedures for the management of REACH regulation and identification of critical issues</li> <li>▶ Maintenance of control system for the reduction or elimination of SVHCs</li> <li>▶ Extension of use of recycled materials in plastic parts</li> <li>▶ Extension of use of recycled/renewable materials in seat cushions</li> <li>▶ Development of eco-design systems to support designers in choosing recycled, natural and renewable materials</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: minimization of environmental impact of materials within the vehicle</li> <li>▶ 2014: supplier involvement in developing strategies to eliminate the use of SVHCs</li> <li>▶ 2015: evaluation of SVHC phase-out alternatives and development of substitutes</li> <li>▶ 2020: increase the use of renewable and recyclable materials in next generation vehicles</li> </ul>	<ul style="list-style-type: none"> <li>● New software identified; testing and data population phases planned with progressive involvement of European plants</li> <li>● Software and data population maintenance for MSDS management delayed pending harmonization of Group material safety data sheets</li> <li>● Suppliers regularly involved; substance management strategies to be developed with supplier support</li> <li>● SVHCs tracked through IMDS system and subject to evaluation by Engineering for future substitution or elimination</li> <li>● Recycled material utilization on wheel liners increased from 52% to 64% with changes on the Jeep Wrangler, and new Chrysler 200 sedan in the NAFTA region</li> <li>● Dashboard air ducts in recycled PP for the New Palio family in the LATAM region</li> <li>● 5% recycled/renewable materials used in 2014 Jeep Cherokee seat foams</li> <li>● 5% renewable materials used in the seat foams of 100% Fiat Brand vehicles in the LATAM region</li> <li>● Renewable polyamides from castor bean applied to fuel, brakes and blow-by tubes in the LATAM region</li> <li>◐ Existing eco-design tools evaluated as unsuitable to automotive needs due to the lack of LCA data in the design phase and to the complexity of automotive products, leaving results open to hypothesis, and distorting data significance</li> <li>◐ Gabi Software assessed as the most suitable for the automotive industry</li> <li>◐ LCA analyses continued according to ISO 14040 and using the Gabi Software</li> </ul>

<sup>(1)</sup> Scope of analysis broadened from the pre-paint process (strongly dependent on progress at the pilot plant) to the painting of the entire automotive body and interior applications with the aim of adding new esthetic and anti-corrosion paint functionality.

**Commitment: Responsibly manage the end of the vehicle's life developing innovative opportunities to recycle and recover the left over materials**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands and Luxury and Performance Brands - EMEA	<ul style="list-style-type: none"> <li>▶ Creation of a network of qualified, authorized vehicle dismantling agents</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: outperformance of reuse/recycling quota goals (85%) and reuse/recovery quota goals (95%) in Italy and achievement of similar quota results in the other main-EU markets</li> <li>▶ 2014: completion of the qualitative performance assessment of Mass-Market and Premium Brand network of dismantling agents in Italy to ensure 85% of reuse/recyclability by 2015</li> <li>▶ 2020: improvement of the efficiency of Group vehicle management to exceed regulatory requirements by expanding a qualified and certified End-of-Life Vehicles (ELVs) network in relevant markets</li> </ul>	<ul style="list-style-type: none"> <li>● Compliance with Italian law on recycling and recovery targets confirmed. Monitoring of results of the MUD (Modello Unico di Dichiarazione Ambientale) completed</li> <li>● Qualitative performance assessment of Mass-Market and Premium Brand network of dismantling agents ongoing in Italy to ensure 85% of reuse/recyclability by 2015</li> <li>● +3% of dismantling agents over 2012 accepted into the Italian network (310 in total) managing Mass-Market and Premium Brands and Maserati vehicles</li> <li><span style="color: green;">+</span> More than 50% of Italian network dismantling agents with quality or environmental certification achieved, managing Mass-Market and Premium Brands and Maserati vehicles</li> <li>● End-of-life vehicles (ELV) network coverage expanded in Germany with 90 collection points (+10% vs 2012)</li> <li>● A prototype of advanced search engine for the nearest dismantling company developed for customers</li> <li>● Second pilot plant designed and developed within the TARGET FLUFF project, to improve the Automotive Shredder Residue (ASR) recycling and recovery (fluff) management; post-shredding technology plant at the Centro Recupero e Servizi in Settimo Torinese (Italy) completed</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Improvement of energy recovery management at end of vehicle life cycle</li> </ul>		

**Commitment: Define a substitution strategy for critical raw materials**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Implementation of plans to limit the use of critical raw materials (as defined by the EU, e.g., rare earths elements) in automotive components</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: optimize critical raw material use by monitoring legislative guidance and supply chain evolution, evaluating and increasing recycling and substitution opportunities</li> <li>▶ 2020: increase the promotion of ethical sourcing through industry-driven programs and institutionalised mechanisms while evaluating recycling and/or substitution opportunities, aimed at contributing to a healthy business environment</li> </ul>	<ul style="list-style-type: none"> <li>● Screening of critical raw material compounds completed for new vehicle models and for selected current vehicles. Applications mapped specifically for Rare Earth Elements</li> <li>● Contacts established with the European electrical and electronic sectors regarding recycling and/or substitution opportunities for critical raw materials used in automotive components; in the coming years, automotive applications identified will be evaluated in terms of logistics and feasibility</li> </ul>

## Responsibility toward customers

+ Target exceeded | 
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 ○ Target postponed

### Commitment: Continue to delight customers with our products at the global level

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Launch of the convergence process to achieve process standardization and adoption of a new global system that will result in improvements in the Group's product quality and service activities across regions and, as a consequence, increase customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: achieve top quartile<sup>(1)</sup> competitive position for our vehicle portfolio, confirmed via relevant benchmark data in each region. The objective being to drive increased advocacy and loyalty for our products</li> </ul>	<ul style="list-style-type: none"> <li>● Quality methodology and standard measures implemented globally</li> <li>● Rate of repair in the first 90 days of ownership improved by 10% to 20% globally, depending on the model</li> <li>● Net Promoter Score on 3 year old vehicles improved by as much as 32% in regions with available measures</li> </ul>

### Commitment: Continue to improve preventive, active and passive safety of vehicles as well as road safety performance through the use of telematic technologies and infomobility services

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Utilization of on-board equipment incorporating new Human Machine Interface (HMI) to include vehicle safety communications</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2015: availability of a new range of connectivity services enhancing navigation and communication</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> Voice control with further functionalities related to media and navigation in EMEA region extended to Fiat Freemont and 500L, Lancia Thema and Flavia, Jeep Grand Cherokee</li> <li><span style="color: blue;">+</span> New Driving Assistance features included on the Jeep Cherokee, Jeep Grand Cherokee and Ram, e.g., 911 Call, SMS Dictation, and Remote Services</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Provision of information to customers on safety-related maintenance</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2014: extension of voice control with further functionalities related to media and navigation in EMEA region</li> </ul>	<ul style="list-style-type: none"> <li>● Continuation of safety inspections provided through Summer and Winter Check-Up programs offered by Mopar; special conditions on the purchase of parts affecting vehicle safety and six months free roadside assistance across Europe offered; programs extended to several EU markets. Brands involved: Fiat, Alfa Romeo, Fiat Professional, Abarth, Jeep, Chrysler, Dodge</li> <li>● Specific safety features continued to be introduced in the owner's manual and maintenance guide of the Group brands, available also on eLum website through mopar.eu and on USB device</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Improvement of safety systems for vehicle occupants, child and pedestrian protection through advanced architectural solutions</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: continue to focus on vehicle occupant safety through advanced solutions encompassing all safety aspects while:                             <ul style="list-style-type: none"> <li>▶ adapting to the rapidly changing regulatory requirements and third-party ratings in all regions</li> <li>▶ maintaining high levels of structural crashworthiness while reducing vehicle weight</li> <li>▶ offering modular architectures, innovative and efficient restraint systems and providing technically advanced active safety systems for mass market vehicles including global applications</li> <li>▶ continue to be an industry leader in user-centered HMI design approaches for all safety system customer interfaces</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Euro NCAP 5-star rating achieved by Jeep Cherokee with an overall score of 83/100 (92% for adult protection, 79% for child protection, 67% for pedestrian protection and 74% for assistance safety systems)</li> <li>● Euro NCAP 5-star rating achieved by Maserati Ghibli with an overall score of 86/100 (95% for adult protection, 79% for child protection, 74% for pedestrian protection and 81% for assistance safety systems)</li> <li>● US NHTSA 5-star overall NCAP safety rating earned by Jeep Grand Cherokee (SUV 4WD)</li> <li>● US NHTSA 4-star overall NCAP safety rating earned by Jeep Grand Cherokee (SUV 2WD)</li> <li>● US NHTSA 4-star overall NCAP safety rating earned by Jeep Compass</li> <li>● Australasian 5-star overall NCAP (ANCAP) safety rating earned by Fiat Panda</li> <li>● Maserati Ghibli and Fiat 500L named 2013 IIHS Top Safety Pick</li> <li>● 2014 Dodge Dart, Dodge Avenger and Chrysler 200 sedan named 2014 IIHS Top Safety Pick</li> </ul>

<sup>(1)</sup> Vehicle portfolio will place within the top 25% of benchmark data.

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Improvement of safety systems for vehicle occupants, child and pedestrian protection through advanced architectural solutions</li> </ul>		<ul style="list-style-type: none"> <li>● New Fiat child restraint systems developed in collaboration with the Italian company Peg-Pérego made available on all new Maserati vehicles starting with Quattroporte and Ghibli</li> <li>● Energy-absorbing front-end introduced on Maserati Ghibli</li> <li>● The Group's state-of-the-art hood architecture applied on Maserati Ghibli</li> <li>● Simulation and analysis of 30 real accidents performed</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Accident simulation to optimize vehicle safety using real-time data</li> <li>▶ Extension of active, passive and preventive safety features to additional models and introduction of new features.</li> </ul>		
	Offer of a range of driver-assist systems: <ul style="list-style-type: none"> <li>▶ Autonomous Emergency Braking (AEB)<sup>(1)</sup> Urban system</li> <li>▶ Adaptive Cruise Control (ACC)</li> <li>▶ Lane Departure Warning (LDW)</li> <li>▶ Blind Spot Monitoring (BSM)</li> <li>▶ Rear Cross Path detection</li> <li>▶ Parkview backup camera</li> <li>▶ Adaptive Front-lighting System (AFS)</li> <li>▶ Speed limiter</li> <li>▶ Auto high beam</li> <li>▶ Paddle shifter</li> <li>▶ Autonomous Emergency Braking (AEB) Inter-Urban system</li> <li>▶ Traffic sign recognition</li> <li>▶ Advanced automatic parking brake</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2014: extension of Autonomous Emergency Braking (AEB) Urban system and speed limiter to further models and introduction of driver-assist systems such as:                             <ul style="list-style-type: none"> <li>▶ Autonomous Emergency Braking (AEB) Inter-Urban system for speeds up to 72 km/h</li> <li>▶ Traffic sign recognition</li> <li>▶ Advanced automatic parking brake</li> <li>▶ Advanced full LED front headlamps</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Autonomous Emergency Braking (AEB) Urban system made available on Fiat Panda and 500L and offered under the name "City Brake Control", which was rewarded with the Euro NCAP Advanced 2013</li> <li>● The extension of Autonomous Emergency Braking (AEB) Urban system and speed limiter to further models continued as well as the introduction of driver-assist systems such as:                             <ul style="list-style-type: none"> <li>▶ Autonomous Emergency Braking (AEB) Inter-Urban system for speeds up to 72 km/h</li> <li>▶ Traffic sign recognition</li> <li>▶ Advanced automatic parking brake</li> <li>▶ Advanced full LED front headlamps (pending the vehicle model plan update)</li> </ul> </li> <li>● Perpendicular-Parallel Semi-Automatic Parking, Rear Park Assist with Brake Pulse and Adaptive Cruise Control Stop &amp; Go, LaneSense Departure Warning-Plus, Forward Collision Warning Plus introduced on 2014 Jeep Cherokee</li> <li>● Rollover occupant ejection mitigation on Ram 1500 Light Duty, Ram 2500 Heavy Duty, Jeep Cherokee and 2015 Chrysler 200</li> </ul>
Centro Ricerche Fiat	<ul style="list-style-type: none"> <li>▶ Development of wireless V2X (Vehicle-to-Vehicle and Vehicle-to-Infrastructure) communication applications that improve road safety</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2015: technological assessment of sensor and communication-based combined solutions aimed at improving recognition of dangerous situations and reducing driver distractions</li> <li>▶ 2015: availability of the standard eCall for new type-approved vehicles, following the European Commission recommendation regarding the adoption of eCall on all new vehicles in Europe by 2015 <i>Note: following the European Commission recommendation regarding the adoption of eCall on all new vehicles in Europe by 2015, the target of this activity addresses this priority</i></li> </ul>	<ul style="list-style-type: none"> <li>● Road assessment of V2X applications at Highway A22 test site completed. Various functions under study included: in-vehicle signage, car breakdown warning, approaching emergency vehicle, construction warning, traffic jam ahead warning, wrong way driving, slow vehicle warning, motorcycle approaching</li> <li>● Performance, costs and technological alternatives assessed; precompetitive research partnership projects (AdaptIVe and AutoNet2030) started by Centro Ricerche Fiat with strategic competitors, suppliers and other prestigious European research centers, to create automatic driving systems in different traffic situations</li> <li>● First trial of the whole eCall chain in Varese area with a real eCall service test completed; tests carried out in collaboration with Magneti Marelli and the Italian telecommunication company Telecom Italia</li> </ul>

<sup>(1)</sup> Low-speed collision mitigation was renamed Autonomous Emergency Braking (AEB) Urban system to align with wording used by Euro NCAP.

Scope	Actions	Future Targets	2013 Results
Components and Production Systems - Magneti Marelli	<ul style="list-style-type: none"> <li>▶ Improvement of road safety performance through use of telematic technologies and infomobility services:                             <ul style="list-style-type: none"> <li>▶ warning when vehicle is approaching accident blackspot or construction</li> <li>▶ visualization of road signs via on-board systems</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>● First demo installation based on V2X communication technology for on-board display of road signs and accident blackspots developed and tested in Turin:                             <ul style="list-style-type: none"> <li>▶ technology used to show how the relevant information broadcasted by RSU (Road Side Units) Infrastructure (I2V) and by vehicles (V2V and V2I) can provide real time support to the driver. A refinement of the information was also demonstrated in a cooperative safety use case</li> <li>▶ information filtered on the vehicle in order to be ignored if related to the opposite lane or behind the vehicle</li> <li>▶ “virtual” road sign (i.e.: temporary road work, danger, accident) showed on vehicle display, only if the event is ahead the trajectory of the vehicle. A “pop up” strategy used to capture the attention of the driver</li> <li>▶ demo represented an example of V2V communications, showing the information received by other vehicles, such as ID, location, speed and relative distance</li> <li>▶ demo carried out in partnership with Istituto Superiore Mario Boella and Politecnico di Torino</li> </ul> </li> </ul>

**Commitment: Continue to improve preventive, active and passive safety of Luxury and Performance Brand vehicles**

Scope	Actions	Future Targets	2013 Results
Luxury and Performance Brands - Maserati	<ul style="list-style-type: none"> <li>▶ Extension of active, passive and preventive safety features to all-new models and introduction of new features.</li> </ul> <p>Offer of a range of driver-assist and safety systems:</p> <ul style="list-style-type: none"> <li>▶ latest generation Vehicle Dynamic Control</li> <li>▶ Skyhook dynamic damping control for suspension systems</li> <li>▶ Adaptive Front-lighting systems and Xenon headlights (AFX)</li> <li>▶ Brake prefill</li> <li>▶ Active roll bar</li> <li>▶ Active Cruise Control (ACC)</li> <li>▶ Blind Spot Monitoring (BSM)</li> <li>▶ Active Roll-Over Bars</li> <li>▶ Reversible Crash Locking Tongue (CLT)</li> <li>▶ Anti-whiplash System (WHIPS)</li> <li>▶ Ejection Mitigation</li> <li>▶ Enhanced Accident Response System (EARS)</li> <li>▶ Multi-stage Airbags</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2016: introduce new driver-assist and safety systems such as Active Cruise Control (ACC), Front Collision Warning (FCW) and Roll Over Mitigation</li> </ul>	<ul style="list-style-type: none"> <li>● Voice control made available on all new Ghibli</li> <li>● Introduced the following range of driver-assist systems:                             <ul style="list-style-type: none"> <li>▶ Parkview backup camera</li> <li>▶ Reversible Crash Locking Tongue (CLT)</li> <li>▶ Front seats with anti-whiplash active system</li> <li>▶ Enhanced Accident Response System on all new Ghibli and Quattroporte</li> <li>▶ Knee Airbag on all new Ghibli</li> </ul> </li> <li>● Euro NCAP 5-star rating achieved by Ghibli with an overall score of 86/100 (95% for adult protection, 79% for child protection, 74% for pedestrian protection and 81% for assistance safety systems)</li> <li>● Ghibli named 2013 IIHS Top Safety Pick</li> </ul>
Luxury and Performance Brands - Ferrari	<ul style="list-style-type: none"> <li>▶ Technology transfer from Formula 1 experience to on-road vehicles, for both vehicle systems and dynamic controls</li> </ul>		<ul style="list-style-type: none"> <li>● F1-derived composite crash structure adopted in production on LaFerrari</li> <li>● Dynamic control systems (traction, damping and brakes) integrated with active aerodynamics and hybrid system</li> </ul>

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Luxury and Performance Brands - Ferrari	▶ Research projects with upcoming/recent graduates for the development of upgraded Human Machine Interface		<ul style="list-style-type: none"> <li>● Three alternative contactless technologies assessed to collect and process driver's biometric data</li> </ul>

**Commitment: Continue to improve air quality inside passenger compartment**

Scope	Actions	Future Targets	2013 Results
Centro Ricerche Fiat	▶ Minimization of Volatile Organic Compounds (VOC) emissions inside passenger compartment		<ul style="list-style-type: none"> <li>● VOC emission testing<sup>(1)</sup> conducted on non-metallic components, comparing different sampling schemes: Head Space – currently in use at FGA –, Sample Bag, Micro Chamber; cost and automation of various approaches evaluated</li> <li>● Collaboration with the Maugeri Institute in Italy (toxicology center of excellence) completed, resulting in a revision of internal air quality thresholds</li> </ul>

**Commitment: Promote mobility and safety awareness among customers and potential customers**

Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Promotion of discussions and initiatives around future mobility solutions and safety features		<ul style="list-style-type: none"> <li>● International contest "Design the future of accessibility" launched within the ACEA program <i>Our Future Mobility Now</i> with stakeholders across Europe:                             <ul style="list-style-type: none"> <li>▶ 5,000 views on YouTube</li> <li>▶ 4,000 likes on social media</li> <li>▶ about 300,000 impressions generated</li> </ul> </li> <li>● New course on drives safety delivered to a target sample of employees via Fiat extranet Virtual Training Center</li> <li>● Training on safety provided at the Abarth Driving Academy in Varano de' Melegari (Italy) to 28 participants between ages of 18 to 40 selected from among 85,000 fans of the Abarth brand from 10 European countries</li> <li>● 2 traffic safety campaigns launched in Brazil ("Do not send SMS while driving" and "Latinha-Do not drink and drive"), with more than 3 million views on Facebook and 85,000 copies of the Traffic Education magazine distributed to clients and at schools</li> </ul>

**Commitment: Strengthen the relationship with customers at the global level and achieve higher level of satisfaction**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	▶ Launch of the Customer Care convergence process across regions, evolving toward a standardized process and adopting a new global system to improve the quality of services while enhancing the customer service experience	▶ 2020: adopt a global Customer Care platform to coordinate activities and processes and promote consistent best practices worldwide	<ul style="list-style-type: none"> <li>● 3 workshops held worldwide involving all regional representatives to align Customer Care processes:                             <ul style="list-style-type: none"> <li>▶ completion in the Indian market of the new Siebel global system</li> <li>▶ kick off of implementation process in LATAM</li> <li>▶ developed business roadmap to define NAFTA requirements</li> <li>▶ proactive participation of EMEA across all regional workshop</li> </ul> </li> </ul>

<sup>(1)</sup> By means of sample heating in an appropriate sample and emitted gases analysis via GC-MS technique.

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Launch of the Customer Care convergence process across regions, evolving toward a standardized process and adopting a new global system to improve the quality of services while enhancing the customer service experience</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: engage existing and potential new customers through innovative communication channels</li> </ul>	<ul style="list-style-type: none"> <li>● Innovative communication channels available across regions:                             <ul style="list-style-type: none"> <li>▶ extension of Social Customer Care to further Brands (Lancia and Jeep, in addition to Fiat and Alfa Romeo) and expansion of the engagement approach to some dedicated online forums, in addition to the existing Twitter channel in EMEA</li> <li>▶ direct communication line from Fiat Studio showrooms to Customer Assistance Center, customer “chat” functionality on owner’s site and customer self-service features on brand sites improved in NAFTA</li> <li>▶ dedicated team available for liaising with customer and managing topics raised by customers on social media of official brands</li> <li>▶ Fiat India Facebook page used to promote expansion of the new Fiat network for sales and services with daily review, and response handled by Fiat India top management</li> </ul> </li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2020: achieve the highest Group level<sup>(1)</sup> of customer service across all regions</li> </ul>	<ul style="list-style-type: none"> <li>● Global KPIs shared across regions and local best practices investigated and disseminated, resulting in:                             <ul style="list-style-type: none"> <li>▶ specific cross-functional task forces activated in EMEA for management of critical cases (&gt;100 days old), with backlog reduced by 86% and average aging by 25%</li> <li>▶ enhanced escalation process and resources in NAFTA to improve handling and closure of complex cases, and incorporated customer feedback into call center agent training to improve overall performance of call handling</li> <li>▶ case management team activated in LATAM to accelerate issues resolution time by involving dealers and regional offices</li> <li>▶ call response time improved in India with 93% answered in 5 seconds and 91% of complaints closed within 5 days</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>▶ Development of skill base of Customer Contact Center operators to achieve excellence in customer service</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2014: maintenance of 2013 levels of training hours per person<sup>(2)</sup> provided to phone agents at EMEA, NAFTA, LATAM and APAC Customer Contact Centers</li> </ul>	<ul style="list-style-type: none"> <li>● Number of training hours provided per person to phone agents of EMEA, NAFTA, LATAM and APAC Customer Contact Centers maintained at 2012 levels with an average of:                             <ul style="list-style-type: none"> <li>▶ 41 hours in EMEA</li> <li>▶ 34 hours in NAFTA</li> <li>▶ 27 hours in LATAM</li> <li>▶ 14 hours in APAC</li> </ul> </li> </ul>

**Commitment: Enhance customer relationship and service experience**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Implementation of stakeholder engagement activities by encouraging customer feedback and responding, as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2016: reach 20% more customers in 18 EU markets vs 2013 through new multichannel system of Customer Feedback</li> <li>▶ 2014: set up of an upgraded real-time reporting platform in 18 EU markets to enhance customer experience</li> </ul>	<ul style="list-style-type: none"> <li>+</li> <li>● Customer feedback program consolidated in 19 EU markets</li> <li>● New internal online dashboard rolled out to provide executive view of real-time results</li> <li>● Best provider to introduce multichannel system identified</li> <li>● Best provider selected through an international tender to introduce real-time platform</li> </ul>

<sup>(1)</sup> Group level refers to the level of service across the four regions within Fiat and Chrysler: EMEA, NAFTA, LATAM and APAC.

<sup>(2)</sup> Training hours do not include the amount of training dedicated to new hires.

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	▶ Extension of services provided by dealer	▶ 2014: increase in the number of NAFTA dealers offering extended service hours (weeknight and weekend hours) ▶ 2014: increase in the number of NAFTA dealerships offering express service	● Saturday service hours offered by 80.6% of total US dealers (2604): +2% vs 2012 ● Express service offered by 43% of total US dealers (2604): +16% vs 2012

**Commitment: Promote the use of low environmental impact technologies and encourage eco-responsible customer behavior**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	▶ Provision of information to customers on eco-compatible maintenance of vehicles	▶ 2014: availability of Green CHECK UP campaign across markets of EMEA region	● MOPAR's Green CHECK UP campaign continued and educational projects on proper vehicle maintenance aimed at reducing CO <sub>2</sub> emissions ● MOPAR's Green CHECK UP campaign extended to several EU markets (Spain, France, Germany, Italy, Poland, Belgium, Austria, Portugal, Switzerland), with Fiat, Alfa Romeo, Fiat Professional, Abarth, Jeep, Chrysler, and Dodge brands involved ● Vehicle owner registrations through web platform (Owner Site) increased by 90% in the NAFTA region, with page views increased by 67% vs 2012 ● Average of vehicle owner registrations through web platform (Owner Site) accounted for about 9% in the EMEA region, with 70% of increased page view (page views enhanced with information about environmental sustainability, recycling of materials)

**Commitment: Ensure responsible and customized selling practices**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands - EMEA	▶ Provision of training and formulation and dissemination of guidelines on responsible selling of financial services		● FGA Capital websites extended to Germany, Austria, Portugal, the Netherlands, and Switzerland markets ● Financial calculator extended to all European countries within the scope of FGA Capital ● FGA Capital training program on responsible credit delivered to European dealership sales people <sup>(1)</sup> and FGA Capital personnel
	▶ Increase in renewals and more affordable innovation by enhancing financial customer loyalty through customizing, and transparent and sustainable offering	▶ 2016: 40% of loyalty products on FGA Capital new contract acquisition on annual basis ▶ 2016: 60% of FGA Capital of renewal and refinancing rate on loyalty products on annual basis	● 30% of loyalty products on FGA Capital new contract acquisitions ● 45% renewal and refinancing rate on loyalty products

<sup>(1)</sup> Within EU markets in scope of FGA Capital.



# Engagement with business partners

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Commitment: Promote a culture of sustainability among employees managing supplier relationships			
Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	▶ Provision of online training on Corporate Governance and Sustainability		<ul style="list-style-type: none"> <li>● Training on Health and Safety provided to all SQEs<sup>(1)</sup> and buyers in Italy (about 9,128 hours of training provided to 908 employees) and 2012 training on Fiat Group's Code of Conduct in LATAM and APAC regions completed (381 hours of training delivered to 381 SQEs and buyers)</li> </ul>
	▶ Incorporation of environmental and social targets in system of variable compensation	▶ 2014: extension of application of sustainability targets to variable compensation system for Fiat and Chrysler buyers. Continuation of application of environmental and social targets to variable compensation system of Group SQE managers and their teams	<ul style="list-style-type: none"> <li>● Environmental and social targets continued to be applied to variable compensation system of approximately 210 Mass-Market and Premium Brand SQE managers and their teams</li> </ul>
Commitment: Promote social and environmental responsibility among suppliers			
Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	▶ Formulation and dissemination of Sustainability Guidelines for suppliers	▶ 2014: further incorporation of contractual clauses on adherence to Sustainability Guidelines in all new Fiat and Chrysler Group purchase agreements	<ul style="list-style-type: none"> <li>● Contractual clauses on adherence to Sustainability Guidelines regularly incorporated in all new Fiat and Chrysler Group purchase agreements</li> </ul>
	▶ Distribution of self-assessment questionnaire on environmental and social performance to select suppliers		<ul style="list-style-type: none"> <li>● Industry-standard supplier self-assessment launched (created with other automakers) and in-depth assessment expanded to cover critical logistics and water management issues</li> <li>● Self-assessment questionnaires answered by roughly 1,200 additional suppliers (representing about 43% of purchases by value) with an average score of 79/100</li> </ul>
	▶ Preparation of a supply chain risk map to identify suppliers for audit	▶ 2014: development of 2 <sup>nd</sup> level risk map to detect and prioritize economic, environmental and social risks	<ul style="list-style-type: none"> <li>● Development of a 2<sup>nd</sup> level risk map in process</li> </ul>
	▶ Increase of water-related awareness to assess and address exposure to water-related supply chain risks	▶ 2014: beginning of collaboration with selected Tier 1 suppliers to develop a water stewardship strategy	<ul style="list-style-type: none"> <li>● Specific questions addressing and assessing exposure to water-use related risks in the supply chain introduced in the supplier self-assessment questionnaire</li> <li>● Collaborations promoted in developing a water stewardship strategy through consultation activities with selected Tier 1 suppliers</li> </ul>

<sup>(1)</sup> SQE – Supplier Quality Engineer.

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

**Commitment: Promote social and environmental responsibility among suppliers**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Develop tools and processes that support the company's conflict mineral policy</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: strive toward a conflict free supply chain through the use of such methods as certified conflict-free smelters to address critical and emerging issues</li> </ul>	<ul style="list-style-type: none"> <li>● Eligible suppliers identified and industry-standard reporting tool for conflict minerals implemented</li> <li>● Comprehensive responses from the majority of top suppliers received</li> <li>● Common timeline, FAQs, and process created for all questionnaires distributed across OEMs and AIAG<sup>(1)</sup> participants</li> <li>● Chrysler Group policy deployed throughout the supply chain</li> <li>● Tool/process developed to facilitate the provision of information by suppliers concerning conflict minerals as required by company policy</li> <li>● Training courses provided to over 600 suppliers in the US and Mexico</li> <li>● Requests aligned across OEMs and tier-N suppliers through collaboration with the AIAG</li> <li><span style="color: blue;">+</span> Provided supplier support to facilitate understanding of the US legislation and helped provide responses on conflict minerals as required by the internal policies of major customers</li> <li><span style="color: blue;">+</span> Greater attention and participation achieved in the initiatives undertaken in Europe on this issue</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2020: enhance mineral traceability in high-risk areas for the entire supply chain</li> </ul>	

**Commitment: Measure and share social and environmental responsibilities together with the entire supplier base to address issues related to climate change, human rights and working conditions**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Performance of environmental and social audits at suppliers worldwide</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: all Tier 1 suppliers with potential exposure to high environmental or social risks assessed through sustainability audits or assessments; third party audits specifically conducted on strategic suppliers</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> 72 audits on Fiat and Chrysler major suppliers performed by internal Supplier Quality Engineers (38 audits) and third party auditor (34 audits)</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Support of supplier sustainability awareness</li> </ul>		<ul style="list-style-type: none"> <li>● Training on responsible working conditions provided to approximately 100 Tier 2 suppliers</li> <li>● Sustainability training courses delivered to 13 suppliers (17 participants in total) at Fiat Headquarters and to 60 Chrysler Group suppliers. Additionally, over 600 Chrysler Group suppliers attended training on conflict minerals reporting guidelines and processes</li> <li>● Fiat and Chrysler honored its top-performing suppliers during the NAFTA and EMEA Supplier Sustainability Award ceremonies by recognizing their outstanding achievement in the areas of social and environmental responsibility</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2020: monitoring of CO<sub>2</sub> emissions of 90-100% of top Group suppliers (accounting for about 57% of purchases by value) through the Carbon Disclosure Project-Supply Chain program</li> </ul>	<ul style="list-style-type: none"> <li>◐ 68 selected suppliers invited to participate in the Carbon Disclosure Project Supply Chain program, 45 of which responded, reaching an average disclosure score of 68 and an average allocated performance band of C</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Promotion of supplier involvement in World Class Manufacturing (WCM) program</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2014: involvement of 370 supplier plants in WCM program, the best-in-class manufacturing methodology that also addresses sustainability challenges</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> Total of 300 supplier plants involved in WCM program from 2009 to 2013 (of which 218 in EMEA, 70 in LATAM and 12 in NAFTA)</li> </ul>

<sup>(1)</sup> AIAG – Automotive Industry Action Group.

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

**Commitment: Reduce environmental impact of sales activities and encourage dealer network excellence**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Engage and support dealer network in reducing its environmental impact</li> <li>▶ Promotion of long-term sustainability awareness throughout the dealership network by means of targeted initiatives</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2017: 20% reduction of average cumulative electricity consumption measured in kWh at all company-owned Italian dealerships compared to 2012</li> </ul>	<ul style="list-style-type: none"> <li>● All company owned Italian dealerships engaged in energy-saving activities achieving an average 7% reduction in electricity consumption (kWh) compared to 2012</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2017: extension of eco-efficiency guidelines and best practices progressively to private and company-owned dealers in other countries</li> </ul>	<ul style="list-style-type: none"> <li>● Program launched to monitor and reduce the environmental impact of the Brazilian dealership network; 11 dealers engaged in workshops to develop a diagnosis tool to analyze sustainability at dealerships</li> <li><span style="color: blue;">+</span> Active™ tiles installed in another 14 FGA dealer showrooms across Europe (a total surface area of approx. 16,200 square meters, and the equivalent of 648 trees) <i>Note: the installation of 25 square meters Active™ tiles in a showroom has the same effect of having one tree in the dealership</i></li> <li>● -74 tons of CO<sub>2</sub> reduced due to the use of green Fiandre materials (estimate based on the reduction of emissions due to employment of recycled materials from transportation and procurement stages)<sup>(1)</sup></li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2014: -1,216 MWh in energy consumption (approx. -461 tons of CO<sub>2</sub>) through the introduction of high-efficiency LED lighting systems for outdoor dealership signage <i>Note: deadline moved due the reduction of the number of dealerships in 2013</i></li> </ul>	<ul style="list-style-type: none"> <li>○ -800 MWh in energy consumption (approx. -304 tons of CO<sub>2</sub>) through the introduction of high-efficiency LED lighting systems for outdoor private dealership signage</li> <li>● 2013 Dealership Environmentally Conscious Operations (ECO) program announced via DealerCONNECT, allowing dealers to electronically transmit surveys to capture the sustainability initiatives they have implemented in NAFTA</li> </ul>

**Commitment: Measure and share social and environmental responsibilities together with the Group dealership network to reduce environmental impacts related to sales activities and respond to challenging market conditions**

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Design and offer targeted training courses</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: provision of approx. 50% of total training hours to the worldwide FGA sales and after-sales force dedicated to environmental and safety-related product features, and continued growth of training hours based on demonstrated needs of the Network</li> </ul>	<ul style="list-style-type: none"> <li>● Approx. 469,261 hours of training on environmental and safety features (50% of the total training hours delivered) provided worldwide to Fiat Group Automobiles (FGA) sales force (of which 245,317 in EMEA; 195,064 in LATAM; 28,880 in APAC)</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2020: provision of approx. 33% of total training hours to the worldwide Chrysler Group sales force dedicated to environmental and safety-related product features, and continued growth of training hours based on demonstrated needs of the Network</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> 27% of total training hours to the worldwide Chrysler Group sales force dedicated to environmental and safety-related features of products; training hours of 682,769 represent an increase of 9% compared to 2012 level</li> </ul>
			<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> Approx. 332,191 hours of training on sustainability topics and features (roughly 47% of total training hours) provided worldwide to FGA technicians (of which 190,848 in EMEA, 137,002 in LATAM and 4,341 in APAC)</li> </ul>

<sup>(1)</sup> CO<sub>2</sub> emissions linked to transport/procurement of materials were calculated using the CEFIC recommended emission factors database as a foundation – based on DEFRA, IFEU, TRENDS, ADEME, NTM data constructed through the use of statistics and official estimates.

Scope	Actions	Future Targets	2013 Results
Mass-Market and Premium Brands	<ul style="list-style-type: none"> <li>▶ Design and offer targeted training courses</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: provision of approx. 40% of total training hours to the worldwide Chrysler Group technical personnel dedicated to diagnosis, repair and maintenance of eco-friendly engines and safety-related product features, and continued growth of training hours based on demonstrated needs of the Network</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">+</span> 33% of total training hours to the worldwide Chrysler Group technical personnel dedicated to diagnosis, repair and maintenance of eco-friendly engines and safety-related product features; training hours of 512,382 represent a 1% increase over 2012 level</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Launch of <i>Effect</i>, the master's program in dealership management targeted at owners and managers of dealerships</li> </ul>		
	<ul style="list-style-type: none"> <li>▶ Offer of online training solutions for sales and after-sales personnel</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: provision of approx. 50% of total training hours to the worldwide FGA sales and after-sales force through distance learning, optimizing the learning methods and the sustainability impact</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">+</span> 175,313 hours of distance learning provided to worldwide after-sales personnel (+26% vs 2012). In total 333,740 online hours of training delivered to worldwide technical and after-sales force of Fiat Group Automobiles of which: 157,400 in EMEA; 175,653 in LATAM and 687 in APAC</li> <li><span style="color: #0070C0;">+</span> Virtual classroom introduced in various Markets of EMEA and LATAM regions covering various after-sales topics and involving over 1500 users</li> <li><span style="color: #0070C0;">+</span> Over 110 million kilometers of travel avoided worldwide, equals to a decrease of about 24,000 tons of CO<sub>2</sub> emissions</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Enhancement of multiple distance learning capabilities leveraging technology-based solutions</li> </ul>		
<ul style="list-style-type: none"> <li>▶ Support to the sales force in enhancing professional approaches and transparency through the entire selling process by designing and providing training courses and technology-based solutions</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">●</span> New sales coaching services developed and implemented in Europe: in Spain with the <i>Customer First Program</i> and in Italy with the <i>Business Support Program</i> targeted on selling, private selling, financing plans, and negotiation</li> <li><span style="color: #0070C0;">●</span> e-Product Tool introduced in European Markets (Italy, France, Spain, UK, Germany, Portugal, Poland and the Netherlands) to help dealership personnel during the sales process, improving transparency by effectively illustrating ecological and safety features of products</li> </ul>		

# Engagement with local communities

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

## Commitment: Support social inclusion, cultural growth and economic development in local communities

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Development of initiatives and long-term programs to improve quality of life in local communities</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: each year, expand the range of stakeholders engaged with the Group in support of self-sustaining and social-economic community development</li> </ul>	<ul style="list-style-type: none"> <li>● Approx. 20,000 individuals benefited from the <i>Árvore da Vida</i> program from 2004 to 2013</li> <li>● Approx. €2.5 million invested in 2013 <i>Árvore da Vida Jardim Teresópolis</i>, <i>Árvore da Vida Capacitação Profissional</i> projects and <i>Árvore da Vida</i> social and cultural partnership</li> <li>● Approx. €1.7 million invested in 2013 for communities near to Mass-Market and Premium Brand plant in Kragujevac, as part of a social and cultural partnership</li> <li>● Approx. €4.3 million donated to the United Way in 2013 by company employees in the US and Canada</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Partnership with relevant education institutions to improve quality of education programs and to ensure alignment with emerging business requirements</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: advance education and training among youth, with a particular focus on programs designed to expand science, technology, engineering and math knowledge and opportunities, including initiatives that address innovation, mobility and environmental issues</li> </ul>	<ul style="list-style-type: none"> <li>● Approx. 670 Brazilian students benefited from the project <i>Árvore da Vida Capacitação Profissional</i> from 2006 to 2013</li> <li>● Partnership with Politecnico of Turin (Italy) continued:                             <ul style="list-style-type: none"> <li>▶ approx. €1.9 million contribution granted to support the “Ingegneria dell’Autoveicolo” master degree course</li> <li>▶ master programs launched with trainers and tutorship provided by the Group for a totaling of 120 hours focused on environmental sustainability issues (Voluntary Educational Program – VEP)</li> </ul> </li> <li>● Results and opportunities provided by the <i>TechPro<sup>2</sup></i> project measured and assessed:                             <ul style="list-style-type: none"> <li>▶ approx. 2,300 students trained</li> <li>▶ approx. 2.2 million hours of training provided</li> <li>▶ 762 internships, of which approx. 40% completed at Fiat Group Automobiles after-sales centers</li> <li>▶ communication between <i>TechPro<sup>2</sup></i> locations and authorized after-sales network intensified to promote apprenticeship opportunities</li> <li>▶ rollout of Service Advisor training initiative in Italy and Poland</li> <li>▶ launch of “Virtual classroom” initiative to facilitate and strengthen the opportunity of internship at territorial level</li> </ul> </li> <li>● Continued support of <i>FIRST</i> Robotics program for high school students:                             <ul style="list-style-type: none"> <li>▶ approx. €140,000 donated in the US and Canada</li> <li>▶ approx. 575 students participated in the US</li> <li>▶ expansion of support to include 7 schools in Canada, with approx. 175 students involved</li> <li>▶ funding initiative expanded to provide support for <i>FIRST</i> Tech Challenge programs, and continued support for <i>FIRST</i> Lego League programs</li> </ul> </li> <li>● Edutainment at summer camp for Fiat employee children in Italy extended to include new initiatives and programs focused on environmental awareness and safety behavior on the road</li> </ul>

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Dedication of employee time and knowledge to support youth skills on science, technology, engineering and math (STEM)</li>   <li>▶ Provision of technical, financial and humanitarian support to populations affected by natural disasters</li> </ul>		<ul style="list-style-type: none"> <li>● 350 hours dedicated by Gruppo Dirigenti Fiat Association in Italy for managerial and technical speeches held at high and technical schools through the initiative "Testimonianze nelle scuole"</li> <li>● 64 hours dedicated by Comau managers for technical training at technical schools in Italy (Piedmont), involving about 2,000 students</li> <li>● Approx. 1,950 hours of mentoring provided during working hours by 47 Chrysler Group employees of US and Canada in support of <i>FIRST</i> Robotics program</li> <li>● Continuation of financial support to charitable organizations aiding populations affected by natural disasters:                         <ul style="list-style-type: none"> <li>▶ approx. €1.9 million donated by Ferrari to victims of the 2012 earthquake in Emilia Romagna (Italy)</li> <li>▶ €72,500 donated by the Chrysler Foundation to the First Response Team of America to support Oklahoma tornado relief efforts</li> <li>▶ €36,300 donated by the Chrysler Foundation to the First Response Team for Colorado flood relief</li> <li>▶ €36,300 donated by Chrysler Foundation for flood relief in Kokomo and Tipton, Indiana (US)</li> </ul> </li> </ul>

## Commitment: Increase competitiveness and employer branding, leveraging workforce diversity

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Build only the best teams, promoting equal and challenging job opportunities that value the contribution of diversity</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: leverage diversity as a key asset and monitor equal opportunity implementation worldwide through Human Resources processes, to build a complete skill-set and value everyone's contribution</li> </ul>	<ul style="list-style-type: none"> <li>● Internal job posting programs available to Chrysler Group (US, Brazil, Canada and China), Fiat Group Automobiles (Argentina, Brazil, France, Germany, Switzerland, Venezuela), Magneti Marelli (Brazil, Czech Republic, Germany, France, Italy, Poland, Slovakia, India and China), Comau (US, Mexico, China), Teksid (Brazil, Mexico) and Fiat Services (Italy, Belgium, Germany, Austria, Poland) employees:                             <ul style="list-style-type: none"> <li>▶ accessible to 24,222 salaried and 59,571 hourly employees</li> <li>▶ 4,212 open positions managed and a total of 22,168 internal applications received</li> </ul> </li> <li>● About 450 diversity candidates hired in accordance with local requirements and constraints</li> <li>● 40-hour training to support disabled new hires delivered to 11 disabled employees at the Fiat Group Automobiles plant in Atessa (Italy), in addition to the 23 trained and employed in 2012</li> <li>● 110-hour training program launched at Fiat Group Automobiles (Brazil) for new employees with disabilities to teach the basics of the automotive industry (math, metrology, design, quality environment, health and safety, customer service and soft skills)</li> <li>● Disability program (PCD) established in collaboration with the Ministry of Labor and Employment in Brazil to help disabled candidates fill an open vacancy in the medium term, with 13 enrolled</li> <li>● 22% of Fiat Group Automobiles Europe hires were women, of which 13% to 30% were employed in fields that generally in our company have a low ratio of women to men (R&amp;D, Supply Chain, Manufacturing)</li> <li>● 16% of Comau Europe hires were women, of which 6% to 25% were employed in fields that generally in our company have a low ratio of women to men (R&amp;D, Supply Chain, Manufacturing)</li> <li>● 33.5% of Chrysler Group US hires were women and approx. 37% of all applicants were non-Caucasian (diverse)</li> <li>● Prioritized actions (salary adjustments, promotions and job appointments) implemented for about 150 female employees across the EMEA region (equal to 22% of total employees impacted by retention initiatives)</li> <li>● Talent identification process at Fiat Group Automobiles in EMEA completed, with focus on diversity:                             <ul style="list-style-type: none"> <li>▶ succession plan for management positions at Mass-Market and Premium Brands consisting of: women, 12%; non-Italian employees, 24%; and non-european employees, 7%</li> <li>▶ 11% of females identified as growers (high-potential), a percentage that exceeded the ratio of women to men in the workforce</li> </ul> </li> <li>● Talent identification process at Fiat Group Automobiles in LATAM completed, with focus on diversity:                             <ul style="list-style-type: none"> <li>▶ 13% of females identified as growers in relation to the total number of females evaluated</li> </ul> </li> <li>● Talent identification process at Chrysler Group in LATAM completed, with focus on diversity:                             <ul style="list-style-type: none"> <li>▶ 27% of females identified as growers in relation to the total number of females evaluated</li> </ul> </li> </ul>

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Build only the best teams, promoting equal and challenging job opportunities that value the contribution of diversity</li> </ul>		<ul style="list-style-type: none"> <li>● Results of monitoring process of global implementation of equal opportunity principles in relation to Human Resources processes analyzed for both professionals and managers and corrective actions implemented, as necessary</li> <li>● Diversity recruiting initiatives at target partner universities continued across regions to provide diversity candidates for intern and entry-level positions:                             <ul style="list-style-type: none"> <li>▶ 52 universities and schools identified by Chrysler Group as strategic partners in US recruiting</li> <li>▶ 6 universities and 4 technical schools identified by Teksid as strategic partners in Mexico recruiting</li> <li>▶ 7 universities and 2 technical schools identified by Fiat Group Automobiles as strategic partners in Brazil recruiting</li> <li>▶ Fiat Likes U initiative launched at selected Italian universities, enabling contacts with more than 613,000 students and is now ready to be extended to other European universities</li> <li>▶ Outline for a collaboration signed by Magneti Marelli and the Politecnico di Torino (Italy) in order to work with students involved in study abroad programs from Canada, China, Germany and Japan</li> </ul> </li> <li>● Regional/country-based recruitment processes monitored to ensure Equal Opportunity Employer (EOE) performance:                             <ul style="list-style-type: none"> <li>▶ EOE policy updated and distributed to all European markets, Group companies and headhunters</li> <li>▶ Brazilian recruiting agencies supporting Fiat Group Automobiles aligned with EOE performance standards</li> <li>▶ internship recruiting strategy based on the continual promotion of diversity, with approx. 480 summer interns hired (over 42% from a diverse ethnic group or race)</li> </ul> </li> <li>● Training initiatives aimed at enhancing cultural diversity awareness and understanding continued, with the provision of 3 new courses (FGA Brazil Awareness, FGA Russia Awareness, Comau global course for expatriates)</li> </ul>

**Commitment: Increase appeal as an employer throughout an employee's career**

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Build only the best teams, promoting equal and challenging job opportunities that value the contribution of diversity</li> </ul>		<ul style="list-style-type: none"> <li>● Initiatives to support employee transition from employment to retirement made available to employees at Fiat Group Automobiles, Comau and Magneti Marelli in Brazil, France and Germany, reaching about 130 employees</li> <li>● Detailed pension estimator tool, available to 100% of US salaried employees</li> <li>● Savings plan reinvestment initiative for employees</li> <li>● Retirement seminars, webinars and retirement counseling offered to 100% of US salaried employees affected by the defined benefit freeze</li> </ul>



**Commitment: Maximize employees' ability to achieve professional and personal effectiveness on the job**

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Promotion of work-life balance initiatives</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: increase work-life balance opportunities to maximize employee satisfaction and effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>● <b>European initiatives:</b> <ul style="list-style-type: none"> <li>▶ banking and insurance services available on Fiat Group Automobiles company premises (Italy, Poland and Serbia)</li> <li>▶ free health services such as dietician consultations and eye check-ups offered to Magneti Marelli employees in Germany and Poland (more than 640 employees)</li> <li>▶ free health services such as blood tests, ultrasonography and check-ups with dermatologists and otolaryngologists offered to Magneti Marelli Automotive Lighting and Exhaust Systems employees in Poland (about 1,400 employees)</li> <li>▶ driver's license renewal services made available at Fiat Group Automobiles in Italy (about 22,000 employees benefited)</li> <li>▶ ValYou e-commerce offering discounted products and services, available for all companies in Italy (64,000 employees)</li> <li>▶ Mirafiori Club outlet available at Fiat Group Automobiles in Italy (22,000 employees)</li> <li>▶ Hi-Tech e-commerce service: discounted personal computers and softwares made available to all companies in Italy at advantageous prices (64,000 employees had access)</li> <li>▶ NEAR: temporary outlet with partial allocation of revenue and earnings to charity projects available to all companies in Italy (8,000 employees benefited)</li> <li>▶ delivery service: ordering dinner in at the office made possible at Fiat Group Automobiles in Italy (3,000 employees benefited)</li> <li>▶ agreement with private nursery services for Fiat Services employees in Italy (35 spots available, full or half-day service)</li> </ul> </li> <li><b>North American initiatives:</b> <ul style="list-style-type: none"> <li>▶ Chrysler Group telecommuting policy under review</li> <li>▶ orientation sessions including information on work-life resource and referral programs made available to all new hire Chrysler Group employees in US and Canada (over 10,500 employees reached)</li> <li>▶ learning sessions such as Lunch &amp; Learns, guest speakers, webinars and other wellness events on various work-life topics (e.g., eldercare, pension benefits) hosted quarterly at Chrysler Group headquarters with more than 1,800 employees participating</li> <li>▶ keynote speakers hosted at Chrysler Group World Headquarters and Technology Center to raise employee awareness about depression, suicide prevention and bullying (over 500 employees participated)</li> </ul> </li> <li><b>Latin American initiatives:</b> <ul style="list-style-type: none"> <li>▶ designated recreation and relaxation areas at Magneti Marelli plants in Brazil during mealtimes and before and after work (about 3,200 employees reached)</li> <li>▶ nutrition program for pregnant women with about 400 meals served in Brazil</li> <li>▶ financial aid provided through the day care to help Brazilian employees purchase special food for newborns</li> </ul> </li> </ul>

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Promotion of work-life balance initiatives</li> </ul>		<ul style="list-style-type: none"> <li>● Flexible working programs implemented at Fiat France and Fiat Germany, where, for professionals and higher employee grades, workers do not clock in                             <ul style="list-style-type: none"> <li>▶ introduction of a work hour limit at Fiat France, where it is not allowed to stay at work after 8 p.m.</li> <li>▶ flexible working programs for salaried employees at Magneti Marelli Poland and Germany implemented to reduce overtime, and vacation transfer into following years</li> <li>▶ flexible schedule for salaried employees at Fiat Group Automobiles and Teksid in Brazil (allowing workers to start work 1 hour early or go home 1 hour late; about 3,800 employees benefited); and professionals and above do not clock in</li> <li>▶ flexible commuting option made available to Magneti Marelli employees in US where appropriate</li> <li>▶ “Remote Work” pilot program for group of employees within Comau Body Welding Design organization in US</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>▶ Support for volunteer work during paid working hours</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: strengthen impacts on local communities through corporate volunteer programs by region, according to local policy, requirements and constraints</li> </ul>	<ul style="list-style-type: none"> <li>● <i>Formare</i> project continued in Brazil allowing Magneti Marelli employees to do volunteer work for non-profit organizations during work hours:                             <ul style="list-style-type: none"> <li>▶ 400 employees volunteered in different Formare schools located within company plants</li> <li>▶ approx. 3,000 training hours donated</li> </ul> </li> <li>● <i>Natal Solidário</i> campaign continued in Brazil allowing Teksid employees to do volunteer work for non-profit organizations during work hours:                             <ul style="list-style-type: none"> <li>▶ approx. 1,200 hours donated</li> </ul> </li> <li>● Chrysler Group employees volunteered more than 9,400 paid work hours in the US in support of various company-sponsored volunteer efforts, including programs focused on mentoring students, community vitalization, fulfilling basic needs such as food and shelter and projects designed to conserve the environment</li> <li>● Approx. 123,500 hours donated by Group employees for blood donations worldwide</li> </ul>

**Commitment: Acquire, develop and retain the best people through engagement, challenge and reward**

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Assessment of employees through performance and leadership mapping</li> </ul>		<ul style="list-style-type: none"> <li>● Approx. 54,500 employees evaluated: 100% of managers and professionals, 69% of salaried employees and 100% of hourly employees complete a pre-employment screen and an initial probationary evaluation through World Class Manufacturing performance management system</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Implementation of <i>Talent Review</i> program</li> </ul>		<ul style="list-style-type: none"> <li>● Following an evaluation of all managers and professionals, global <i>Talent Reviews</i> conducted across a wide range of experience levels for 20 professional families/sectors/functions to identify those suitable to cover key positions over the next 10 years</li> </ul>

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Performance of a people satisfaction survey to monitor the satisfaction levels, needs and requests of employees</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: performance of a people satisfaction survey on a regular basis</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">+</span> People satisfaction survey conducted (involving more than 35,000 employees) at Magneti Marelli worldwide</li> <li><span style="color: #0070C0;">+</span> Engagement survey conducted (involving about 10,000 employees) at Fiat Group Automobiles in Italy</li> <li><span style="color: #0070C0;">+</span> Engagement survey conducted across certain functions (involving 1,700 salaried employees at Chrysler Group in US)</li> <li><span style="color: #0070C0;">+</span> People satisfaction survey conducted (involving 204 employees) in Australia and China National Sales Companies</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Implementation of long-term performance-related incentive plans</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: provide long-term performance-related incentive plans and talent development programs by regions, according to local requirements and constraints</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">●</span> Long-term performance-related incentive plans for key talent launched in the NAFTA region</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Implementation of targeted talent retention programs</li> </ul>		<ul style="list-style-type: none"> <li><span style="color: #0070C0;">●</span> LATAM Retention Program implemented in Brazil, Argentina and Venezuela, involving approx. 1,780 employees impacted by at least one retention initiative (coaching, managerial or technical training, cultural immersion, national/regional/global projects participation, job rotation)</li> <li><span style="color: #0070C0;">●</span> Targeted talent retention programs in support of critical skills implemented in three distinct Chrysler Group functional organizations (Powertrain, Quality and Finance)</li> <li><span style="color: #0070C0;">●</span> Young Graduate Worldwide Program launched by Fiat Services to ensure the retention and development of young talents</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Increase employee participation in company life</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: each year, receive 15 improvement proposals per person within the World Class Manufacturing (WCM) program</li> <li>▶ 2020: increase employee contribution through new initiatives and channels which strengthen Group sustainable business</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: #0070C0;">●</span> Average of 15 improvement proposals per person received within the WCM program</li> <li><span style="color: #0070C0;">●</span> <i>iPropose</i> program continued in Italy with 8,300 suggestions collected leading to a savings equal to €17.3 million</li> <li><span style="color: #0070C0;">●</span> Access to the corporate repository for training catalogues and special projects extended to hourly employees through the implementation of the new Fiat extranet Virtual Training Center</li> </ul>

**Commitment: Provide a workplace that promotes employee health, safety and well-being**

Scope	Actions	Future Targets	2013 Results
Fiat Group	Promotion of employee well-being through programs aimed at: <ul style="list-style-type: none"> <li>▶ spreading a health-focused culture</li> <li>▶ encouraging individuals to adopt a healthy lifestyle (including through economic incentives)</li> <li>▶ reducing medium and high health risks to low risk levels</li> <li>▶ encouraging a work environment that promotes healthy behavior and workforce engagement</li> <li>▶ monitoring the cost of health neglect</li> </ul>		<ul style="list-style-type: none"> <li><span style="color: #0070C0;">●</span> <i>Vivere</i> program continued in Brazil with specific initiatives such as Run and Walk (about 150 employees benefited), Nutrition and Health, Smoking Cessation (about 190 patients who completed treatment with 52% quitting smoking)</li> </ul>

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Promotion of employee well-being through programs aimed at:                             <ul style="list-style-type: none"> <li>▶ spreading a health-focused culture</li> <li>▶ encouraging individuals to adopt a healthy lifestyle (including through economic incentives)</li> <li>▶ reducing medium and high health risks to low risk levels</li> <li>▶ encouraging a work environment that promotes healthy behavior and workforce engagement</li> <li>▶ monitoring the cost of health neglect</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>● Well-being programs implemented in Europe, North America and Latin America through nutrition education sessions and targeted healthy eating initiatives for hourly population, pregnant women, fitness initiatives and disease prevention campaigns Examples are:                             <ul style="list-style-type: none"> <li>▶ monthly meetings with doctors on physical and mental health issues at Mirafiori (involving approx. 3,000 employees). Almost 13,000 Group employees in Italy may consult the documents and videos of the meetings on the employee web portal</li> <li>▶ Free flu vaccination (Italy, Poland, Germany and US)</li> <li>▶ Meetings with nutritionist (Poland)</li> <li>▶ Spine check (Germany)</li> <li>▶ Healthy diet program (Italy)</li> <li>▶ Eye check-ups (Italy and Germany)</li> <li>▶ Smoking cessation, chronic disease, obesity control and healthy nutrition programs, for Magneti Marelli, Comau, Teksid employees in Brazil</li> <li>▶ Incentive-based wellness rewards program (with 78% of eligible Chrysler Group employees registered in US)</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>▶ Formulation and dissemination of dedicated programs<sup>(1)</sup> addressing the Group's commitment to its employees' well-being</li> </ul>		<ul style="list-style-type: none"> <li>● Chrysler Group <i>Wellness Program</i> continued, offered to all North American employees with specific initiatives such as a Day of Wellness and Breast Cancer Awareness campaigns, health expert speaker series and the Union Representative Benefit Conference in Canada and Union Benefits Rep training on Affordable Care Act in the US</li> <li>● Teksid Mexico health care program implemented with campaigns promoting health through in-company media, including aspects of home safety and environmental care Well Born program launched for women and the pregnant spouses of employees, providing specialized guidance</li> <li>◐ Well-being tips distributed to almost 13,000 Group employees in Italy over the intranet about:                             <ul style="list-style-type: none"> <li>▶ cardio-vascular diseases</li> <li>▶ nicotine addiction and passive smoking</li> <li>▶ safe use of medications</li> <li>▶ a healthy diet</li> </ul> </li> <li>◐ 566 on-site Lunch &amp; Learn sessions given to employees in the US, focusing on top health risks such as diabetes (53 sessions), nutrition (161) and exercise (120)</li> <li>◐ Health and Well-Being Programs available in Brazil for Fiat Group employees (including: pregnancy and child care orientations, respiratory diseases prevention on childhood, smoking cessation, against obesity initiatives, assistance to hypertensive and cardiac diseases people, vaccination and family planning), with about 8,100 patients treated and about 20,900 vaccines administrated</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Provision of a supplementary health care plan for the Group's hourly and salaried employees in Italy, as per agreements between Fiat S.p.A. and trade unions</li> </ul>		<ul style="list-style-type: none"> <li>● Completion of setup of the new FASIF Fund, which carries over FASIFIAT and FASIQ (the Fund for Professional employees) services and extension of the protection of a basic health care that includes also a Long Term Care plan to all employees, through a contribution paid by the companies only. In Italy 61,797 employees have access to the basic free health care protection; of which 34,562 (18,279 hourly, 5,199 salaried and 11,084 professional) and their respective families joined the complete health care plans</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Establishment of participation-based health care plans for the Group's salaried employees in the US</li> </ul>		<ul style="list-style-type: none"> <li>● 13,613 salaried employees in the US and their eligible family members enrolled in participation-based health care plans</li> </ul>

<sup>(1)</sup> Guidelines are developed at Region level and deployed through local programs and initiatives.

# Responsible and World Class Processes<sup>(1)</sup>

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Commitment: Promote environmental awareness within the Group			
Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>Update of the Group-wide intranet platform to enhance best practice sharing with Chrysler Group</li> </ul>		<ul style="list-style-type: none"> <li>Platform extended to Fiat Group to support cross-region Environmental, Health and Safety monthly reporting</li> </ul>
Commitment: Expand, consolidate and certify the Group's Environmental and Energy Management Systems			
Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>Implementation of a new IT application to collect and manage Environment, Health and Safety data</li> <li>Extension of environmental certifications and management systems worldwide</li> </ul>	<ul style="list-style-type: none"> <li>2014: new information system available <i>Note: target postponed due to realignment with business priorities</i></li> <li>2020: ISO 14001 certification for all Group plants operating worldwide</li> <li>2014: ISO 14001 certification for all plants operating in 2012 worldwide, in order to reach and maintain 100% plant certification</li> <li>2020: rollout of energy management system and ISO 50001 certification of all Group plants<sup>(4)</sup> operating worldwide</li> <li>2014: ISO 50001 certification to main Fiat Group plants (approx. 92% of total energy consumption)</li> <li>2014: rollout of energy management system to main Fiat Group plants (approx. 92% of total energy consumption)</li> </ul>	<ul style="list-style-type: none"> <li>Technical requirements defined and development of the new information system started at global level</li> <li>Number of performance indicators monitored increased to include additional heavy metals</li> <li>133 Group plants ISO 14001 certified with 136 certifications granted, accounting for 100% of total Group industrial revenues<sup>(2)</sup> and covering over 99% of manufacturing employees<sup>(3)</sup></li> <li>43 Group plants ISO 50001 certified accounting for 36% of total Fiat Group energy consumption</li> <li>Energy management system adopted by 34 Group plants in addition to 70 plants that had adopted it in previous years (collectively representing 95% of total Fiat Group energy consumption)</li> </ul>
Commitment: Expand and consolidate the World Class Manufacturing (WCM) program worldwide			
Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>Extension of World Class Manufacturing (WCM) program worldwide</li> </ul>	<ul style="list-style-type: none"> <li>2020: extend WCM program to 99%<sup>(5)</sup> of Group plants operating worldwide</li> <li>2020: 100% of Group plants involved in WCM achieve an award performance level (bronze, silver, gold or world class level)</li> </ul>	<ul style="list-style-type: none"> <li>121 Group plants involved in WCM, accounting for 97% of total Group manufacturing cost base</li> <li>37 Group plants achieved award performance level (26 bronze, 7 silver and 4 gold level)</li> </ul>
Commitment: Optimize the Group's environmental performance			
Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>Definition and adoption of measures and technologies to reduce <b>energy consumption</b> and <b>CO<sub>2</sub> emissions</b></li> </ul>	<ul style="list-style-type: none"> <li>2020: -30% in energy consumed per vehicle produced vs 2010 at Mass-Market and Premium Brand assembly and stamping plants worldwide <i>Note: details for each company are available online in the Sustainability Interactive Report</i></li> <li>2014: up to -34% vs 2010<sup>(6)</sup> in energy consumed per unit at Group plants worldwide (with specific targets for each company) <i>Note: details for each company are available online in the Sustainability Interactive Report. Target set at -18.3% vs 2010<sup>(6)</sup> baseline for Mass-Market and Premium Brand assembly and stamping</i></li> </ul>	<ul style="list-style-type: none"> <li>-14.2% vs 2010, on comparable scope of activities, in energy consumed per vehicle produced at Mass-Market and Premium Brand assembly and stamping plants worldwide (from 7.40 to 6.35 GJ/vehicle); +2.6% vs 2012 (from 6.19 to 6.35 GJ/vehicle)</li> </ul>

<sup>(1)</sup> 2020 targets for this section of the Sustainability Plan are based on current estimates of future production volumes and will be confirmed upon availability of the Group industrial plan for the 2015-2017 period.

<sup>(2)</sup> Industrial revenues are those attributable to the activity of plants directly controlled by the Group.

<sup>(3)</sup> Manufacturing employees are those directly and indirectly involved in manufacturing processes.

<sup>(4)</sup> Where relevant, corresponding to 95% of energy consumption of all Group plants.

<sup>(5)</sup> Percentage based on the total manufacturing cost base.

<sup>(6)</sup> As Chrysler Group LLC was formed in mid-year 2009, specific targets for Chrysler Group and Mass-Market and Premium Brands utilize a 2010 baseline.

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Definition and adoption of measures and technologies to reduce <b>energy consumption</b> and <b>CO<sub>2</sub> emissions</b> per unit value	▶ 2020: -32% in CO <sub>2</sub> emitted per vehicle produced vs 2010 at Mass-Market and Premium Brand assembly and stamping plants worldwide <i>Note: details for each company are available online in the Sustainability Interactive Report</i>  ▶ 2014: up to -33% vs 2009 <sup>(1)</sup> in CO <sub>2</sub> emissions per unit value at Group plants worldwide (with specific targets for each company) <i>Note: details for each company are available online in the Sustainability Interactive Report. Target set at -17% vs 2010<sup>(1)</sup> baseline for Mass-Market and Premium Brand assembly and stamping</i>	<span style="color: green;">●</span> -15.5% vs 2010, on comparable scope of activities, in CO <sub>2</sub> emissions per vehicle produced at Mass-Market and Premium Brand assembly and stamping plants worldwide (from 0.612 to 0.517 tons CO <sub>2</sub> /vehicle); +1.8% vs 2012 (from 0.508 to 0.517 tons CO <sub>2</sub> /vehicle)
	▶ Promotion of generation and use of energy from <b>renewable sources</b>	▶ 2020: 100% of electricity purchased from the grid by Mass-Market and Premium Brand plants in EMEA from renewables sources	<span style="color: green;">●</span> 20.9% of total direct and indirect energy consumed by the Group (excluding Chrysler Group) generated from renewable sources (20.5% in 2012); 9.7% including Chrysler Group (9.8% in 2012)
	▶ Proactive management of regulatory risks and opportunities through continuous monitoring of current and future emissions trading regulations in countries where the Group operates (e.g., EU-ETS)		<span style="color: green;">●</span> Group compliance with emissions trading regulations ensured in countries where present (EU-ETS) <span style="color: green;">●</span> 5 Group plants in Europe (accounting for total CO <sub>2</sub> emission of about 142,000 tons in 2013) participated in EU-ETS
	▶ Application of Best Available Technologies (BAT) to reduce energy consumption and environmental footprint of new and renovated plants	▶ 2014: application of BAT at new FGA plant in Pernambuco (Brazil) ▶ 2014: application of BAT at new paint and body shops at the Chrysler Group Sterling Heights Assembly Plant (Michigan)	
	▶ Improvement of energy efficiency in buildings <sup>(2)</sup>	▶ 2014: achievement of LEED Gold certification for new body shops at the Chrysler Group Belvidere (Illinois) Assembly Plant and Sterling Heights (Michigan) Assembly Plant	
	▶ Optimization of the management system for <b>water</b> withdrawal and discharge, based on the specific characteristics of the country in which each plant is located, including through the dissemination of specific guidelines	▶ 2020: -40% in water consumed per vehicle produced vs 2010 at Mass-Market and Premium Brand assembly and stamping plants worldwide <i>Note: details for each company are available online in the Sustainability Interactive Report</i>  ▶ 2014: up to -40% vs 2009 <sup>(1)</sup> in water consumption per unit at Group plants worldwide (with specific targets for each company) <i>Note: details for each company are available online in the Sustainability Interactive Report. Target set at -19% vs 2010<sup>(1)</sup> baseline for Mass-Market and Premium Brand assembly and stamping</i>	<span style="color: green;">●</span> -34.9% vs 2010 in water consumption per vehicle produced at Mass-Market and Premium Brand assembly and stamping plants worldwide (from 4.97 to 3.23 m <sup>3</sup> /vehicle); -6.1% vs 2012 (from 3.44 to 3.23 m <sup>3</sup> /vehicle)
			<span style="color: green;">●</span> Water-related risk assessments continued at all plants located in sensitive areas and appropriate measures to reuse and recycle water implemented <span style="color: blue;">+</span> Heavy metal content reduced in discharged water, even taking into account reduction in water consumption <sup>(3)</sup>

<sup>(1)</sup> As Chrysler Group LLC was formed in mid-year 2009, specific targets for Chrysler Group and Mass-Market and Premium Brands utilize a 2010 baseline.

<sup>(2)</sup> The LEED certification for Mass-Market and Premium Brand assembly and stamping plant in Kragujevac (Serbia) has been canceled due to realignment of business priorities.

<sup>(3)</sup> The ongoing reduction in water consumption (-3.6% vs 2012) corresponds to a proportional increase in pollutant concentrations. For this reason the goal of maintaining current levels is equally challenging.

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Optimization of the management system for <b>water</b> withdrawal and discharge, based on the specific characteristics of the country in which each plant is located, including through the dissemination of specific guidelines</li> <li>▶ Optimization of <b>waste</b> management based on the specific characteristics of the country in which each plant is located</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: maintenance of Fiat Group recycling index over 95% at all Fiat Group plants worldwide</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> 98.8% recycling index achieved at Fiat Group plants worldwide</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2014: maintenance of levels of BOD, COD and TSS present in water discharge from Group plants worldwide well below local regulatory levels, including after reductions in water consumption <i>Note: details for each company are available online in the Sustainability Interactive Report</i></li> </ul>	<ul style="list-style-type: none"> <li><span style="color: green;">●</span> Levels of Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS) present in water discharge from Fiat Group plants worldwide maintained well below local regulatory levels, even taking into account reductions in water consumption<sup>(1)</sup></li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2020: -14% in waste generated per vehicle produced vs 2010 at Mass-Market and Premium Brand assembly and stamping plants worldwide <i>Note: details for each company are available online in the Sustainability Interactive Report</i></li> </ul>	<ul style="list-style-type: none"> <li><span style="color: green;">●</span> -2.8% vs 2010 in waste generated per vehicle produced at Mass-Market and Premium Brand assembly and stamping plants worldwide (from 215.0 to 209.0 kg/vehicle); +0.2% vs 2012 (from 208.5 to 209.0 kg/vehicle)</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2014: up to -20% vs 2009<sup>(2)</sup> in waste generated per unit at Group plants worldwide (with specific targets for each company) <i>Note: details for each company are available online in the Sustainability Interactive Report. Target set at -13% vs 2010<sup>(2)</sup> baseline for Mass-Market and Premium Brand assembly and stamping</i></li> </ul>	
		<ul style="list-style-type: none"> <li>▶ 2020: -54% in hazardous waste generated per vehicle produced vs 2010 at Mass-Market and Premium Brand assembly and stamping plants worldwide <i>Note: details for each company are available online in the Sustainability Interactive Report</i></li> </ul>	<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> -50.0% vs 2010 in hazardous waste generated per vehicle produced at Mass-Market and Premium Brand assembly and stamping plants worldwide (from 7.0 to 3.5 kg/vehicle); -10.3% vs 2012 (from 3.9 to 3.5 kg/vehicle)</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2014: up to -30% vs 2009<sup>(2)</sup> in hazardous waste generated per unit at Group plants worldwide (with specific targets for each company) <i>Note: details for each company are available online in the Sustainability Interactive Report. Target set at -28% vs 2010<sup>(2)</sup> baseline for Mass-Market and Premium Brand assembly and stamping</i></li> </ul>	
		<ul style="list-style-type: none"> <li>▶ 2020: up to 98% of waste recovery at Group plants worldwide (with specific targets for each company) <i>Note: details for each company are available online in the Sustainability Interactive Report</i></li> </ul>	<ul style="list-style-type: none"> <li><span style="color: blue;">+</span> 96.4% of waste recovered at Mass-Market and Premium Brand assembly and stamping plants worldwide (72.7% at Fiat Group plants worldwide)</li> </ul>
		<ul style="list-style-type: none"> <li>▶ 2014: up to 95% of waste recovery at Group plants worldwide (with specific targets for each company) <i>Note: details for each company are available online in the Sustainability Interactive Report</i></li> </ul>	

<sup>(1)</sup> The ongoing reduction in water consumption (-3.6% vs 2012) corresponds to a proportional increase in pollutant concentrations. For this reason the goal of maintaining current levels is equally challenging.

<sup>(2)</sup> As Chrysler Group LLC was formed in mid-year 2009, specific targets for Chrysler Group and Mass-Market and Premium Brands utilize a 2010 baseline.

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ● Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Application of the best available techniques for reduction of <b>Volatile Organic Compounds (VOC)</b> in paint shops	▶ 2020: -25% in VOC emitted per square meter vs 2010 at Mass-Market and Premium Brand assembly and stamping plants worldwide <i>Note: details for each company are available online in the Sustainability Interactive Report</i>  ▶ 2014: up to -50% vs 2009 <sup>(1)</sup> in VOC emissions per square meter at Group plants worldwide (with specific targets for each company) <i>Note: details for each company are available online in the Sustainability Interactive Report. Target set at -6% vs 2010<sup>(1)</sup> baseline for Mass-Market and Premium Brand assembly and stamping</i>	<span style="color: green;">●</span> -13.3% vs 2010 in VOC emissions per square meter at Mass-Market and Premium Brand assembly and stamping plants worldwide (from 32.3 to 28.0 g/m <sup>2</sup> ); +1.8% vs 2012 (from 27.5 to 28.0 g/m <sup>2</sup> )
	▶ Identification and safeguarding of protected species and <b>biodiversity</b>		<span style="color: green;">●</span> Fiat Group Biodiversity methodology consolidated and Fiat Group Biodiversity Value Index (FGBVI) application plan implemented at 4 plants
	▶ Reduction in the use of <b>Ozone Depleting Substances (ODS)</b> and other <b>Substances of Significant Impact (SSI)</b> on health and the environment at Group plants worldwide		<span style="color: green;">●</span> Specific actions taken to reduce selected SSI
		▶ 2014: elimination of ODS from equipment at Group plants worldwide excluding Chrysler Group, committed instead to eliminating ODS as equipment is replaced	<span style="color: green;">●</span> -51.1% of ODS in equipment vs 2010 achieved at Group plants worldwide; <sup>(2)</sup> -38.2% vs 2012
	▶ Alignment with international regulations (e.g., REACH, TRA) on the use of potentially dangerous substances in manufacturing processes		<span style="color: green;">●</span> Compliance with REACH and TRA maintained in each of the countries of application

<sup>(1)</sup> As Chrysler Group LLC was formed in mid-year 2009, specific targets for Chrysler Group and Mass-Market and Premium Brands utilize a 2010 baseline.

<sup>(2)</sup> Chrysler Group not included in the scope because its inventory was completed in 2012; therefore, there is no comparative data for 2010.



+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ● Target partially achieved | 
 ○ Target postponed

Commitment: Reduce Information and Communication Technology-related energy consumption			
Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Introduction of new low environmental impact hardware	▶ 2014: -1,349 cumulative MWh vs 2010 (approx. -911 tons of CO <sub>2</sub> ) achieved through the introduction of additional high-efficiency power supply units	<span style="color: blue;">+</span> -1,179 cumulative MWh vs 2010 (approx. -791 tons of CO <sub>2</sub> ) achieved through the introduction of additional high-efficiency power supply units
		▶ 2020: replacement of 100,000 video monitors with eco-efficient devices vs 2010	<span style="color: blue;">+</span> 13,815 additional video monitors replaced with eco-efficient devices (-473 cumulative MWh vs 2010, approx. -236 tons of CO <sub>2</sub> )
		▶ 2020: extension of Green IT clauses to all relevant IT suppliers contracts	<span style="color: green;">●</span> Sustainability elements introduced in technical documents for outsourcing when awarding new business and renewing contracts
	▶ Consolidation of servers, introduction of new, more efficient servers or implementation of initiatives to reduce server footprint	▶ 2020: further replacement and/or virtualization of servers	<span style="color: green;">●</span> 106 servers eliminated, 484 servers replaced, 293 virtualized and 957 new virtual servers added (-36,471 MWh in energy consumed and approx. -23,184 tons of CO <sub>2</sub> vs 2010)
Chrysler Group	▶ Reduction in personal computer (PC) power consumption by automatically powering down PCs not in use in the evening		<span style="color: green;">●</span> A cumulative reduction of 3,013 MWh in energy consumption vs 2010 (approx. 2,168 cumulative tons of CO <sub>2</sub> ) achieved by automatically powering down PCs not in use in the evening

# Occupational Health and Safety

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

## Commitment: Continue internal and external certification process for the Occupational Health and Safety Management System

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Extension of OHSAS 18001 certification</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: 100% Group plants operating worldwide certified according to the highest international health and safety standards (OHSAS 18001)</li> <li>▶ 2014: OHSAS 18001 certification of all Group plants operating worldwide in 2012, including those operated as a joint venture</li> </ul>	<ul style="list-style-type: none"> <li>● 110 plants OHSAS 18001 certified, covering approx. 147,000 employees<sup>(1)</sup></li> </ul>
	<ul style="list-style-type: none"> <li>▶ Audit of safety management procedures at plants</li> </ul>		<ul style="list-style-type: none"> <li>● 5,059 internal audits (+110% vs 2012) and 122 external audits (+85% vs 2012) conducted, covering a total of approx. 150,000 employees</li> </ul>

## Commitment: Strive for a zero accident and injury rate

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Continuous efforts to achieve the target of zero lost time accidents</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: continuous reduction of accident Frequency and Severity rates in alignment with the goal of zero lost time accidents at all Group plants worldwide</li> </ul>	<ul style="list-style-type: none"> <li>● Frequency rate reduced for the seventh consecutive year with 0.19 accidents per 100,000 hours worked (-13.6% vs 2012 and -56.8% vs 2010)</li> <li>● Severity rate reduced for the seventh consecutive year with 0.06 days of absence due to accidents per 1,000 hours worked (-14.3% vs 2012 and -53.8% vs 2010)</li> </ul>
	<ul style="list-style-type: none"> <li>▶ Increase in employee involvement in the safety risk prevention process</li> </ul>		<ul style="list-style-type: none"> <li>● Approx. 149,000 improvement proposals collected within the WCM program</li> </ul>

## Commitment: Minimize ergonomic risk in the workplace taking into account factors such as age and gender

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Implementation of European Assembly Work-Sheet (EAWS) methodology in the assessment of ergonomic risks of workstations</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2014: extension of EAWS methodology to all assembly plants in Europe</li> </ul>	<ul style="list-style-type: none"> <li>● EAWS methodology extended to Tychy plant in a model area, with current total coverage of approx. 19,000 employees working in plants where the methodology has been adopted</li> </ul>

## Commitment: Manage new emerging risk factors such as nanotechnology

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Participation in working groups to support the definition of technical regulations on nanotechnology and the identification of the impact of nanotechnology on health and safety</li> </ul>		<ul style="list-style-type: none"> <li>● Analysis on potential impacts of nanotechnologies and nanomaterials on health and safety continued</li> </ul>

<sup>(1)</sup> Coverage includes employees working at manufacturing plants as well as nearby facilities (e.g. offices).

**Commitment: Promote a culture of health and safety in the workplace**

Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Development and implementation of a management information system for the collection, analysis, classification and management of preventive and corrective measures for accidents, near misses and unsafe acts	▶ 2014: extension of the management information system for safety data to cover all Group plants worldwide <i>Note: target postponed due to realignment with business priorities</i>	◐ Management information system extended to 3 plants worldwide in addition to the 10 plants that had already adopted it in 2011 and 2012 (more than 35,200 employees covered in total)
	▶ Development and implementation of a Group-wide health and safety training platform	▶ 2014: implementation of the health and safety training platform in all regions	● Feasibility study completed for implementation of the health and safety training platform in all regions
	▶ Definition and progressive implementation of training standards and information tools for health and safety specialists within the Group		● Training standards updated for Italy and information tools extended to all Group plants worldwide
	▶ Development and implementation of the <i>Top Ten Safety</i> project: 10 key health and safety initiatives		● <i>Top Ten Safety</i> project initiatives updated at all plants worldwide
	▶ Provision of the online course <i>Health and Safety in the Office</i> for office workers on workstation ergonomics, emergency response, electrical hazards, risks of overexertion and correct use of video monitors		◐ <i>Health and Safety in the Office</i> course customized and extended to 11,400 office workers worldwide <i>Note: roll-out of the initiative will continue in 2014 to reach all office workers worldwide</i>

**Commitment: Formulate and disseminate Health and Safety Guidelines**

Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Amendment of current Health and Safety Guidelines		● No further amendments required based on stakeholder feedback

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

**Commitment: Provide a workplace that promotes employee health and well-being**

Scope	Actions	Future Targets	2013 Results
Fiat Group	<ul style="list-style-type: none"> <li>▶ Respond to health and well-being needs of a diversified global workforce</li> </ul>	<ul style="list-style-type: none"> <li>▶ 2020: expansion of <i>Health Promotion</i> Program to all plants worldwide, according to local needs and constraints, promoting healthy lifestyles and safe working environments</li> </ul>	<ul style="list-style-type: none"> <li>● <i>Health Promotion Program</i> expanded at 78 plants in 10 countries, with focus on smoking cessation campaigns, nutrition education initiatives and promotion of prevention culture through medical checks</li> <li>● Sites where risk is considered most likely (22 sites employing approx. 19,000 employees) monitored and action plans implemented accordingly</li> <li>● Needs evaluated and new initiatives implemented, with focus on mental health and psychosomatic illnesses at 69 plants</li> <li>● Information on prevention against the seasonal flu virus distributed or flu vaccinations provided at selected sites worldwide</li> <li>● HIV awareness campaign continued at Fiat Group Automobiles plant in Brazil (approx. 19,600 employees involved and 7,700 supplier employees)</li> <li>● <i>WELL</i> program with advice and tips about health and wellness continued through Group intranet sites worldwide for approx. 42,300 employees</li> <li>● Biometric Screening checks for cholesterol, blood pressure and glucose provided to approx. 22,700 Chrysler Group employees (8.9% of the total Group workforce and 29.8% of the Chrysler Group workforce) in addition to 10,400 Chrysler employees already screened in 2012</li> <li>● <i>Health Risk Assessment</i> program completed for approx. 21,150 Chrysler Group employees (8.3% of the total Group workforce and 27.7% of the Chrysler Group workforce) in addition to 9,700 Chrysler employees already screened in 2012 (+118% vs previous year)</li> <li>● IQS tool for clinical assessment and classification of cardiovascular risk and life habits of each employee implemented with 870 employees involved in Brazil</li> </ul>

# Optimizing transport

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Commitment: Reduce environmental impact of logistics			
Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Increase low emission and alternative fuel vehicles for transportation	▶ 2020: expand low emission and alternative fuel vehicles for transportation in EMEA and NAFTA regions to utilize the most cost- and environmentally-efficient company-owned fleet possible	● 80% of Group owned-fleet in EMEA already Euro V compliant
	▶ Extension of scope and definition of a standard set of environmental KPIs	▶ 2014: establish the calculation of CO <sub>2</sub> emissions with a new system common to EMEA and NAFTA with a joint development	● Environmental KPIs extended with the adoption of a common framework across the Group for CO <sub>2</sub> emissions calculation ● Adoption of common environmental KPIs among Group companies to monitor normalized emissions
		▶ 2014: extension of monitoring process to all Group companies worldwide (scope 2011)	● Involvement of LATAM with a dedicated team of Logistics sustainability
		▶ 2014: extension of EMEA CO <sub>2</sub> emission monitoring process to new scope with 25 markets (21 current markets + US, Russia, Canada, Japan) and 12 plants (11 current plants + Grugliasco (Italy) plant)	
		▶ 2015: setting targets for all Group companies worldwide (scope 2011)	● Targets set for Mass-Market and Premium Brands in EMEA and NAFTA
	▶ Integration of logistics sustainability metrics for Chrysler Group and carrier base into logistics initiatives and WCM audit results		● Implemented initiatives in the NAFTA region which led to CO <sub>2</sub> savings and reduction of miles to support Logistics and Environmental pillar targets for WCM audits
	▶ Promotion and development of a freight carbon reporting system in order to engage logistics providers in addressing CO <sub>2</sub> issues		● 6 selected logistics providers participated in the Carbon Disclosure Project Supply Chain
	▶ Reduction of carriers' carbon footprint to meet sustainability goals through targeted initiatives		● Carrier training expanded in Mexico with Transporte Limpio initiative and workshops, and quarterly carrier conferences
▶ Increase in low-emissions transport (Upstream transport)		● Monitoring of vehicle emissions standards in Europe for transport not managed directly by the operating segments, through Fiat Group Purchasing self-assessment questionnaires extended to selected logistics providers ◐ Monitoring of carriers' environmental impact and initiatives throughout NAFTA region continued, rollout in Mexico completed ● Phase-in of restricted access clauses introduced in all new or renewed Group contracts (10 in 2013) for transport directly managed by operating segments in the EMEA region	

+ Target exceeded | 
 ● Target achieved or in line with plan | 
 ◐ Target partially achieved | 
 ○ Target postponed

Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Use of intermodal solutions (Upstream/downstream transport)	▶ 2014: -64,000 cumulative tons of CO <sub>2</sub> vs 2010 (compared with equivalent volumes transported by road) achieved through the further extension of rail transport (2011 Scope) ▶ 2014: further increase of rail transport and introduction of new route in the EMEA region to achieve a reduction of 2,600 tons of CO <sub>2</sub> vs 2013	+ -62,100 cumulative tons of CO <sub>2</sub> vs 2010 (compared with equivalent volumes transported by road) achieved through the further extension of rail transport (reduction of -4,100 tons of CO <sub>2</sub> in downstream transport in 2013) + 24% increase in downstream intermodal transport usage vs 2012 in the NAFTA region (about -4,500 tons of CO <sub>2</sub> )
	▶ Optimization of transport capacity and routes (Upstream transport)	▶ 2014: further extension of CO <sub>2</sub> emissions reduction projects, implementing solutions to optimize transport capacity in EMEA and NAFTA regions	● -12,500 tons in CO <sub>2</sub> emissions vs previous delivery mode achieved through an increase in the use of "milk run" solutions to optimize transport capacity in Magneti Marelli in EMEA ● -262 tons of CO <sub>2</sub> emission achieved through co-loaded material with competitors and collaboration with other automaker for integrating suppliers into the Grand Rapids RILC ● -870,000 kilometers through daily route optimization, equivalent to around -850 tons of CO <sub>2</sub>
	▶ Reduction in the use of packaging and protective materials (Upstream transport)	▶ 2014: -1.7% vs 2013 in disposable cardboard packaging for vehicle components (from 6.0 to 5.9kg/vehicle) at 2012 scope ▶ 2014: -35% kg of wood per m <sup>3</sup> delivered from Italy to Betim and Sete Lagoas plants (Brazil), from 9.2 kg/m <sup>3</sup> to 6.0 kg/m <sup>3</sup> , replacing specific type of wood box with new returnable packaging ▶ 2014: launch of new projects to minimize the use of plastic protective material in shipments	○ 5.2% increase in cardboard packaging for vehicle (from 5.7 to 6.0 kg/vehicle) at European plants, due to introduction of new models at Melfi and Val di Sangro Italian plants ● KPI monitoring of cardboard utilization at Tofas (Turkey), Kragujevac (Serbia) and Grugliasco (Italy) plants started and inclusion in previous KPI calculation achieved + -9,7% vs 2012 in disposable wood packaging (from 7.2 to 6.5 kg/m <sup>3</sup> ) achieved for shipments from Italy to Betim plant (Brazil)
	▶ Reduction in the use of packaging and protective materials: extension of cardboard reduction projects (Upstream transport)	▶ 2014: improved ratio of disposable and protective packaging to the volume/weight of parts shipped from the Italian warehouses of Fiat Parts & Services (from 16.1% to 15.5%)	○ Increase of 19.3% in kg of packaging and protective material disposed per each ton shipped by Italian Parts & Services warehouses vs 2012 (from 13,5% to 16.1% of total amount of parts shipped) mainly due to delivered volume reduction

**Commitment: Improve commuting for employees**

Scope	Actions	Future Targets	2013 Results
Fiat Group	▶ Develop mobility plans to improve commute to and from select sites through increased use of public transport, carpooling, alternative mobility (cycling), improvements to entrances, loading and parking areas		● Cycling safety and vanpool program information provided to Chrysler Group employees at annual Earth Day event ● Grassroots Sustainability program assisted Chrysler Group employee-initiated idea to install additional parking slots for bicycles at the headquarters to support cycling to work ● Mobility survey distributed to about 1,600 employees in Turin to analyze commuting needs and define actions plan in conjunction with the their transfer to a new office location in the urban area