



CANADA Stellantis Human Rights and Social Compliance Report 2023

Introduction

This Stellantis Human Rights and Social Compliance Report (the “**Report**”) is being submitted to the Minister of Public Safety and Emergency Preparedness (the “**Minister**”) by FCA Canada Inc. and Cpk Interior Products Inc. (the “**Reporting Entities**”) for the financial year ending December 31, 2023 (the “**Reporting Period**”) for purposes of complying with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”).

The Report outlines the measures taken to prevent and mitigate the risk of forced labour or child labour in any stage of goods production within Canada or abroad, at Stellantis for goods imported into Canada by the Reporting Entities, both wholly owned subsidiaries of Stellantis N.V.

Stellantis was the result of a merger between former PSA Groupe and the FCA Group in 2021. Stellantis is dedicated to upholding human rights across its global supply chains through policies, procedures and ongoing initiatives aimed at preventing forced labour and child labour in all its subsidiaries in the world, including the Reporting Entities.

Stellantis UK and FCA Australia (“Chrysler Australia”), both subsidiaries of Stellantis N.V., are reporting entities under the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018.

Governance and Policy

Stellantis has established a robust human rights framework to combat forced labour. Dedicated staff implement the human rights program, which was designed by reference to multiple internationally recognized standards and extensive benchmarking and internal assessments. The Human Rights Committee, whose members include the Chief Human Rights Officer and other discipline leaders, oversees the program's effectiveness. Results are reported to the Ethics and Compliance Committee, and the Board of Directors' Environmental, Social, and Governance (ESG) and Audit Committees.

Stellantis' commitment to human rights and combating forced labor is reflected in its [Code of Conduct](#) and [Human Rights Policy](#). The Stellantis Code of Conduct states its commitment to act in a socially responsible manner, to include prohibiting the use of child labor and forced labour in its workforce. Further, the Stellantis Human Rights Policy outlines Stellantis' commitment to respect human rights in all aspects of its operations. Specifically, the Stellantis Human Rights Policy states that Stellantis does not tolerate any form of forced labour or child labour and expects its stakeholders to commit to adopting policies and procedures against the use of all forms of child labour, forced labour, modern slavery, and human trafficking. Stellantis' expectation that stakeholders will not engage in any form of forced or child labour is also reflected in the [Stellantis Global Responsible Purchasing Guidelines](#) (GRPGs), which requires Stellantis' suppliers to refrain from engaging directly or indirectly in child or forced labor and to undertake measures to detect and eliminate forced labor from the supplier's own supply chain. Stellantis is a signatory of the United Nations Global Compact (UNGC), the world's largest corporate citizenship and sustainability initiative. Stellantis is committed to upholding the principles of the UNGC in its business activities and expects all employees at all its subsidiaries, at all levels as well as its business partners to act in accordance with Stellantis Human Rights Policy, which can be found here: [Stellantis Human Rights Policy](#). Initiatives are closely monitored and enhanced through annual reviews and mandatory

human rights training, ensuring continuous improvement in its efforts to combat forced labour and child labour in the chains that supply all Stellantis subsidiaries, including the Reporting Entities. Stellantis employees receive regular training on ethical topics and Stellantis policies, including the Code of Conduct or related topics, and Stellantis Human Rights Policy and must acknowledge understanding and adherence to these policies.

Risk Assessment and Due Diligence

Stellantis conducts regular risk assessments following the guidelines outlined by the Danish Institute of Human Rights (DIHR) to identify potential human rights risks and impacts within its operations and supply chains. Stellantis' annual risk assessment, developed in accordance with UN Paris Principles, utilizes data collected to create an index prioritizing interventions based on country-specific human rights risks.

To identify and address salient risks such as forced labour in its own operations and in its supply chain, Stellantis has established a dedicated cross-functional taskforce comprising of specialists from Compliance, Legal, Human Rights, Customs, Supply Chain, Purchasing, Public Affairs, and Parts & Services, as well as representatives of the Reporting Entities and other key countries and regions. This taskforce conducts focused due diligence to increase visibility into its supply chain, and identify forced labour risks for its upstream suppliers, leveraging advanced, forced labour focused screening, and supply chain mapping services to support Stellantis' compliance with regulatory requirements and alignment with internationally recognized human rights principles.

Stellantis' commitment to respecting human rights, including working to eliminate forced labour from its supply chains, is underscored by its efforts to facilitate accountability across its supply chains down to the raw material.

Partnerships and Collaboration

Stellantis actively engages with business partners to ensure alignment with its human rights commitments. The Stellantis Global Purchasing Responsible Purchasing Guidelines ("GRPGs") incorporate human rights frameworks, which suppliers to all subsidiaries, including the Reporting Entities, are required to adhere to (see: [Global Responsible Purchasing Guidelines 2022 \(stellantis.com\)](https://www.stellantis.com/en/global-responsible-purchasing-guidelines-2022)). The GRPGs require suppliers to respect labour rights, work to prevent forced and child labour, treat employees in a fair and non-discriminatory manner, promote safety in the workplace, consider and address the environmental impact of their operations avoid corruption, respect data privacy, and support small businesses. Suppliers must also cooperate with Stellantis' efforts to trace its supply chains to aid Stellantis in identifying and assessing risks of forced and child labour in its supply chains. The GRPGs aim to promote ethical, sustainable practices across Stellantis' supply chain in alignment with Canadian law. The GRPGs specifically include provisions on child labour and forced labour as included under the section 'Eliminate all forms of forced labor and child labor' as follows:

Stellantis requests the supplier to commit to zero tolerance for forced, compulsory, child labor, or human trafficking within its operations and supply chain. It acknowledges the freedom of choice of employment and recognizes forced or compulsory labor as situations imposed through threats or restrictions on workers' freedom. The supplier agrees to comply with International Labour Organization (ILO) conventions and to prevent indicators of forced labor within its supply chain.

Additionally, the supplier acknowledges and supports Stellantis' initiatives to eliminate forced labor, agreeing to cooperate with Stellantis programs and provide trade documentation to trace the origin of goods and components in its supply chain. The supplier commits to timely and diligent efforts to meet Stellantis' requests for information and documentation related to supply chain mapping and traceability in all forms of forced labour and child labour.

As part of its commitment to respecting human rights and promoting ethical supply chains, Stellantis monitors the compliance of business partners with the GRPGs. Stellantis expects its suppliers to meet these standards and reserves the right to audit suppliers to verify their compliance with these principles, and in some cases, terminate supplier relationships based on non-compliance with the GRPGs.

Stellantis strives to comply with social, environmental, and ethical principles such as those identified in the UN Guiding Principles on Business and Human Rights (UNGPs), ILO Conventions, OECD (Organization for Economic Co operation and Development) Guiding Principles, 2030 UN Sustainable Development Goals (SDGs), and the UN Global Compact.

Stellantis and the Reporting Entities expect suppliers to respect human rights in all countries of operation, even in areas where human rights may not be sufficiently protected.

Stakeholder Engagement

Stellantis values input from stakeholders and seeks their feedback on its human rights initiatives. Stellantis works to consult affected groups and other relevant stakeholders and is working to identify NGOs and other external stakeholders to consult regarding the company's human rights-related initiatives.

The Stellantis Stakeholder Engagement Policy prioritizes stakeholders based on strategic significance, considering their interests and the impact of activities, aligning with human rights aspects of the Stellantis strategic plan, while promoting continuous dialogue and periodic evaluation for long-term relationship value creation [Stellantis-Stakeholder-Engagement-Policy.pdf](#)

Reporting and Non-Retaliation

As the Reporting Entities are committed to providing the regular reports required by the Act, Stellantis is likewise committed to providing regular reports on human rights performance in alignment with international standards such as the Global Reporting Initiative (GRI) and CSDDD reporting guidelines.

For example, Stellantis annual Corporate Sustainability Report, published in April 2024, provides detailed information on Stellantis' human rights commitments and related activities. [Stellantis-CSR-Report-2023](#) The Stellantis reporting channel is the Integrity Helpline. It is Stellantis' free and confidential hotline available to all employees and business partners, in multiple languages and can be found here: [EthicsPoint - Stellantis](#) The Stellantis Whistleblowing Policy, also in multiple languages, is embedded in the Integrity Helpline and can be found here: [Stellantis Integrity Helpline - Whistleblowing Policy ENGLISH \(ethicspoint.eu\)](#).

As stated in the GRPGs, Stellantis expects suppliers to offer channels for employees and stakeholders to report violations of law or human rights and prohibit retaliation against anyone who makes a good faith report of a violation of policy or law.

Challenges and Mitigation Efforts

Stellantis acknowledges the complexity of ensuring human rights compliance across global supply chains. The auto industry is characterized by a vast network of suppliers, subcontractors, and sub-suppliers multiple layers deep, located in different countries and regions worldwide, and regulated by diverse regulatory frameworks and cultural contexts, each with its own set of compliance requirements and challenges. These supply chains are not static – they constantly change in response to business circumstances. This complexity makes it challenging to trace the origin of every component or raw material. Keeping track of these changes and updating supply chain maps accordingly is a labor-intensive task.

Stellantis has developed risk-based approaches and engaged specialized consultants to address challenges and are analyzing data related to suppliers, materials, and production processes and use data management systems and analytical tools to effectively map and monitor their supply chains.

The process also requires human and financial resources, including dedicated teams for data collection, verification, and analysis. Additionally, identifying, and mitigating risks within the supply chain, such as disruptions, ethical violations, or regulatory non-compliance, is integral to Stellantis' operations. Supply chain mapping plays a crucial role in identifying potential risks and developing strategies to address them effectively. Stellantis initiatives aim to maximize the effectiveness of measures to remediate human rights violations, such as child labour, and Stellantis and the Reporting Entities remain open to forming alliances to support these efforts.

Conclusion

Stellantis and the Reporting Entities remain steadfast in their commitment to respect human rights throughout their operations and supply chains. The Stellantis comprehensive governance structure, policies, human rights program, and ongoing initiatives demonstrate our dedication to combating forced labour and child labour. Stellantis and the Reporting Entities recognize the importance of continuous improvement and are committed to transparency in reporting human rights performance.

Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

A handwritten signature in black ink, appearing to read "J. Hines", written over a horizontal line.

Jeffrey J. Hines
President
May 30, 2024