



STELLANTIS

GREEN BOND FRAMEWORK

JANUARY 2023

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Introduction

Stellantis N.V. (“Stellantis” or the “Company”) is a global automotive group, resulting from the merger of Fiat Chrysler Automobiles N.V. (“FCA”) and Peugeot S.A. (“PSA”) in January 2021, and engaged in designing, engineering, manufacturing, distributing, and selling vehicles, components, and production systems worldwide. Stellantis designs, engineers, manufactures, distributes, and sells vehicles under the Abarth, Alfa Romeo, Chrysler, Citroën, Dodge, DS, Fiat, Fiat Professional, Jeep, Lancia, Opel, Peugeot, Ram and Vauxhall brands. It also offers luxury vehicles under the Maserati brand. Stellantis makes retail and dealer financing, leasing and rental services available through its subsidiaries, joint ventures, and commercial arrangements with third party financial institutions.

With over 6 million vehicles shipped in 2021¹, Stellantis has the ability to consistently align with the evolving needs and expectations of consumers. The Company’s ambitious electrification and software strategies and the creation of an innovative ecosystem of strategic partnerships are driving its transformation to a sustainable mobility tech company.



¹ Including the company’s unconsolidated joint ventures

Sustainability Strategy

Stellantis' portfolio of brands is well positioned to offer innovative and sustainable solutions to meet the evolving needs of customers, as it embraces electrification, connectivity, and autonomous driving.

Stellantis aims to be a leader for a new era of mobility – and is working to reimagine mobility as we know it today and set new benchmarks in our fast-evolving industry. Shaping the future of mobility means offering innovative and sustainable products and solutions that meet the evolving needs of customers while preserving the planet. Through a host of complementary technologies, Stellantis is working to satisfy customer needs around the world with various types of transportation solutions, while at the same time reducing overall GHG emissions.

Stellantis considers its impacts on the environment with a 360° and pragmatic approach:

- **Inside the Company boundaries:**

Launching an electric product offensive, which targets 100% of its passenger car sales in European Union and 50% of its passenger car and light duty truck sales in the United States to be fully electric by 2030, reaching 100% by 2038 in the United States;

- **Upstream:**

Engaging suppliers on climate-related issues: as of 2021, more than 55% of our most important suppliers (based on average purchase value) have committed to a CO2 emissions reduction trend which aligns with the Climate Paris Agreement;

- **Downstream:**

Expanding customer access to charging solutions. For instance, a joint venture signed between Stellantis and NHOA, will provide European customers access to the digital service “eSolutions Charging” offering them to access approx. 400.000 charge points in 29 European countries from one single app. In addition, a separate collaboration between Stellantis and NHOA is expected to develop a public fast charging network in Southern Europe with 4,900 fast chargers to be installed by 2025 and 36,000 by 2030.

1. CSR GOVERNANCE AT STELLANTIS

1.1. Historical Evolution of the CSR Policy at Stellantis

PSA and FCA had a long history of transparent disclosure of information and data related to their Corporate Social Responsibility (“CSR”) activities, which highlighted their performance and achievements in contributing to positive outcomes for stakeholders. Since the merger in early 2021, teams within Stellantis have been focusing on converging both FCA and PSA operations, processes and KPIs. Stellantis published its first CSR Report in 2022, which is TCFD²-aligned on main criteria and refers to well-known international ESG reporting standards such as GRI³ and SASB⁴.

1.2. Current Stellantis CSR Governance and Policy

Stellantis regards its CSR policy as a collective and individual endeavor, which ensures that the principles of Corporate Social Responsibility are embedded into each business decision and guides the Company’s approach to its strategic challenges.

An ESG Committee has been set up to assist and advise the Board of Directors and act with respect to monitoring, evaluation and reporting on the strategy, targets, achievements, disclosures and reports relating to ESG matters globally of the Company and its subsidiaries.

CSR Global Office, which reports directly to the Executive Vice President (EVP) –Chief Communications and CSR Officer, who is a member of the top executive team and reports to the Chief Executive Officer, looks to:

- release the corporate CSR report;
- support dialogue with stakeholders on ESG matters;
- watch stakeholders expectations on CSR disclosure, applicable to Stellantis

Stellantis CSR Global Office oversees a CSR network composed of subject matter experts: the CSR Champions and CSR Correspondents, who represent the global functions of the

² Taskforce on Climate-Related Financial Disclosures

³ Global Reporting Initiative

⁴ Sustainability Accounting Standards Board

Company. The CSR Champions work to ensure that the CSR issues under their responsibility are considered appropriately in the decisions of their Division whilst the CSR Correspondents focus on proper and reliable disclosure of qualitative and quantitative information for the CSR matters under their responsibility.

2. STELLANTIS' STRATEGY AND OVERVIEW OF LONG-TERM SUSTAINABILITY TARGETS



In 2022, Stellantis unveiled *Dare Forward 2030*, a strategic plan for the coming decade, which notably sets sustainability related targets in terms of (i) greenhouse gas (“GHG”) emission reduction, (ii) electrification, (iii) circular economy with sustainability of raw material and resource conservation and (iv) Diversity & Inclusion.

2.1. Sustainability related focus in the Dare Forward 2030 Plan

2.1.1. GHG Emission Reduction

Stellantis is committed to reaching carbon net zero emissions by 2038, with single digit % compensation of the remaining GHG emissions. The first step targets a global 50% reduction by 2030 vs 2021 level: it combines a 75% reduction in Scope 1 and 2 absolute GHG emissions (measured in tCO₂eq.) and 50% reduction in intensity GHG emission (measured in tCO₂eq/vh) in Scope 3.

This climate change mitigation plan relies on external enablers: the availability of decarbonized energy, based on Announced Pledges Scenario from International Energy Agency, coupled with conducive public policies for battery electric vehicles (BEVs), e.g., charging infrastructure and purchasing incentives.

2.1.2. Electrification

Stellantis is setting the course for 100% of its passenger car sales in European Union and 50% of its passenger car and light duty truck sales in the United States to be BEVs by the end of this decade. The Company plans to have more than 75 BEVs and reach global annual BEV sales of five million vehicles by 2030. Stellantis also has intermediate targets of 45+ BEV models and 1 million BEV unit sales in 2024 and 70+ BEV models in 2027 with 3 million in sales.



This increase in the number of electrified nameplates will take place across Stellantis' offering, with each of the Company's 14 vehicle brands committed to offering fully electrified solutions.

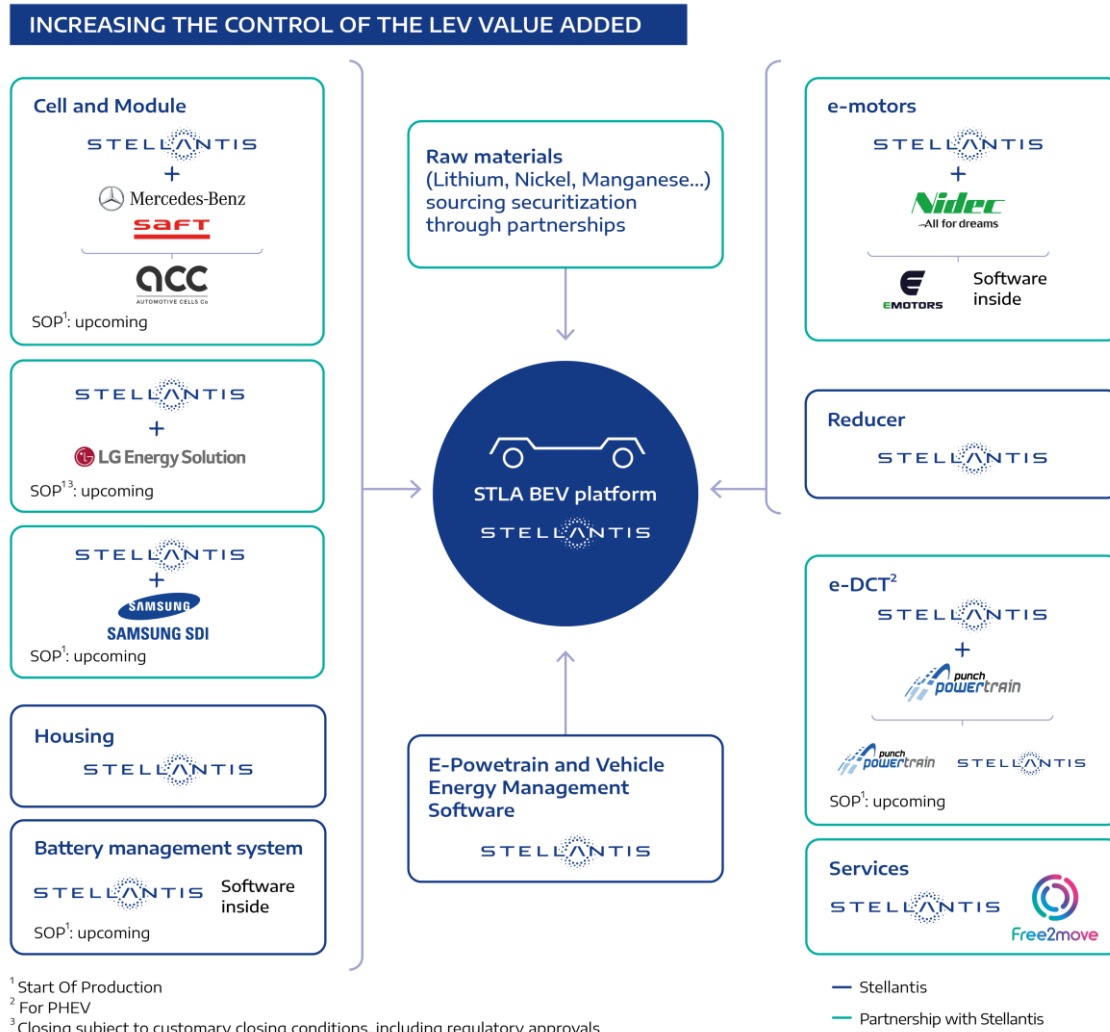
To support this goal, Stellantis aims through a number of joint ventures to establish battery gigafactories in Europe and North America, which together with other sourcing contracts, will cover Stellantis' needs of 400GWh of capacity by 2030, of which roughly 250GWh will be in Europe and 150 GWh in North America.

Stellantis is also transforming existing production facilities to support the production of new multi-energy vehicle architecture. Its Windsor Assembly Plant in Canada will be transformed to provide BEV capability for multiple models with the retooling of the plant expected to begin in 2023. Similarly, the Brampton Assembly Plant in Canada will be retooled and fully modernized, to introduce in 2025 an all-new, flexible architecture to support the company's electrification plans.

Stellantis also has a strategy for zero-emission fuel cell for Light Commercial Vehicles (LCVs), which is complementary to full battery electric models. Stellantis intends to raise production to 10,000 units in 2024. The Fuel Cell Electric Vehicle (FCEV) is well suited to commercial fleets for professional uses such as municipal services, local authorities, transport and logistic sector or courier services due to its fast-refueling times (3 minutes) and good driving range (400km).

Stellantis has put in place a vertical integration strategy which aims to control the value chain for low emissions vehicles and its costs, by securing supply, sustainability and quality.

With this strategy, Stellantis is targeting to control 80% of the BEV value (excluding raw materials) with its joint ventures, which is more than the share of value that the Company controls for internal combustion engine vehicles.



2.1.3. Designing for Circular Economy

Stellantis is involved in a large number of scientific partnerships to boost the development of the green materials industry and expand the use of these materials in vehicles. A few examples: Fiat New 500 (BEV), Fiat 500 MHEV, and Fiat Panda MHEV use 100% Recycled PET (30% from bottles recovered in the sea and 70% from post-consumer) for the textile in the seats, and Citroën AMI uses recycled polypropylene in its upper bulkhead. In addition, the DS4 includes more than 50 parts made from recycled polymers and/or natural fibers.

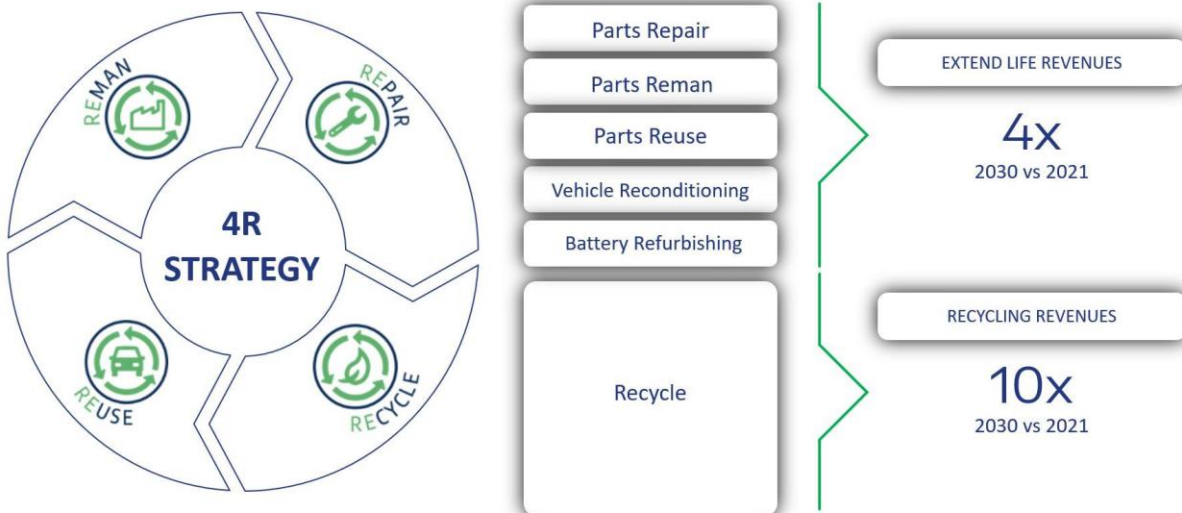
Stellantis offers a wide range of remanufactured parts. These parts support the aftermarket needs of customers, simultaneously reducing energy consumption, the cost of vehicle ownership and the volume of materials heading to landfills. For remanufactured product lines, average raw-material usage is reduced by 60-95% while CO2 emissions are cut by 30-50% compared with new part production. Remanufactured

offerings cover close to 35% of total vehicle parts value. In 2021, 64% of engines, 65% of gearboxes, 38% of clutches, 48% of injectors, 60% of alternators and 62% of particulate filters sold by brands in Europe and North America were remanufactured parts.

Stellantis is working on the availability of solutions to optimize high voltage batteries lifespan and end of life through repair, remanufacturing, second life and recycling. By 2030, Stellantis targets to have at least one of these solutions available for each high voltage battery sold.

CIRCULAR ECONOMY GROWTH

€2B+ revenues in 2030



MARCH 1st, 2022 – LONG-TERM STRATEGIC PLAN – #StellantisDareForward

2.1.4. Diversity & Inclusion targets

Stellantis’ Diversity & Inclusion strategy is underpinned by three principles, (i) respect for human values, (ii) respect for local traditions, culture and context and (iii) finding global common ground considering regional specificities.

Aiming to empower diversity with meritocracy, Stellantis has set the targets and ambitions to have 100% of key HR processes aligned with diversity and inclusion commitments from 2022 and women to hold at least 28% of leadership roles by end of 2025 and at least 35% by 2030. In 2021, women represented 24% of those in leadership positions.

Green Bond Issuance

This Green Bond Framework (the “Framework”) has been developed in alignment with the International Capital Market Association (“ICMA”) Green Bond Principles⁵ (“GBP”) and therefore consists of the following key pillars:

1. Use of proceeds
2. Process for project evaluation and selection
3. Management of proceeds
4. Reporting

The Framework also follows the recommendations of the GBP on external review.

It is Stellantis’ intention to follow market best practice in relation to Green Bonds, as the market standards develop and as the EU classification of environmentally sustainable economic activities (the “EU Taxonomy regulation”) enters into force. Therefore, where applicable, the eligibility criteria for the eligible green projects described in the Use of Proceeds section of this Framework are aligned, on a best-efforts basis, with the technical screening criteria for determining substantial contribution to climate change mitigation stemming from the EU Taxonomy regulation EU 2020/852 of 18th June 2020, and the Delegated Acts on Climate Change Mitigation and Adaptation published in the Official Journal on 9th December 2021.



Stellantis believes that the issuance of Green Bonds can contribute to the transition to a low-carbon economy, by giving financial backing to the projects enabling this transition. By issuing Green Bonds, Stellantis intends to align its funding strategy with its *Dare Forward 2030* plan and further its goals to reach its stated targets. Stellantis aims to contribute to the development of the green finance market and hopes to address investors’ growing interest for green instruments.

⁵ https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles_June-2022-280622.pdf

1. USE OF PROCEEDS

Stellantis will allocate an amount equal to the net proceeds of any Green Bond issued under this Framework to investments and expenditures meeting the eligibility criteria below (the “Eligible Green Projects”).

Stellantis will make allocations to Eligible Green Projects where the investment or expenditure has taken place within a maximum of three years prior to the date of any issuance. On a best-efforts basis, Stellantis will aim to allocate an amount equal to the net proceeds raised within two years from the issuance of each Green Bond.

Eligible Green Projects Category	Description / Eligibility Criteria	Examples of projects	SDG alignment	EU Environmental Objective
Clean Vehicles	<p>Investments and expenditures related to the design, development and manufacturing of Zero Emission Vehicles that are Battery Electric Vehicles (BEV) and Fuel Cell Electric Vehicles (FCEV).</p> <p>While there are components specific to BEVs and FCEVs, certain of the outputs of the contemplated investments and expenditures could be subsequently deployed in Plug-in Hybrid Electric Vehicles (PHEV) and Internal Combustion Engine (ICE) vehicles due to the potential dual usage of certain components that are common to several types of vehicles, which is an intrinsic characteristic of the automotive industry’s manufacturing architecture. This is nonetheless mitigated by Stellantis’ clear electrification roadmap⁶.</p> <p>The corresponding EU Taxonomy Economic Activity is:</p> <ul style="list-style-type: none"> • 3.3 Manufacture of low carbon technologies for transport 	<ul style="list-style-type: none"> • Research & Development dedicated to BEVs, (including powertrains) and technology which include testing, development of facilities, tooling, and manufacturing of BEVs. • Manufacturing facilities, including new facilities, and upgrading or modifying of current manufacturing facilities to produce Zero Emission Vehicles. 	 	Climate Change Mitigation

⁶ Stellantis aims for 100% of its passenger car sales in the European Union and 50% of its passenger car and light duty truck sales in the United States to be BEVs by the end of this decade.

The following types of investments and expenditures are eligible under this Framework: capital expenditures and research & development costs.

An amount equal to the net proceeds of any Green Bond will be allocated to investments and expenditures relating to the design, development and manufacturing of Zero Emissions Vehicles that are BEVs and FCEVs. While there are components specific to BEVs and FCEVs, certain of the outputs of the contemplated investments and expenditures could also be subsequently deployed in PHEVs and ICE vehicles due to the potential dual usage of certain components that are common to several types of vehicles, which is an intrinsic characteristic of the automotive industry's engineering processes. This is nonetheless mitigated by Stellantis' clear electrification roadmap.

2. PROJECT EVALUATION & SELECTION

To ensure that allocations of an amount equal to the net proceeds of any Green Bond are made to Eligible Green Projects as specified above, Stellantis has established a Green Bond Committee ("GBC").

The main objectives of the Green Bond Committee are to:

1. Validate and keep updated the Green Bond Framework;
2. Select the Green Projects that are eligible to green bond financing and monitor their alignment to the Eligibility Criteria of the Green Bond Framework;
3. Manage tracking and reporting on allocation; and
4. Coordinate the publication of the impact reporting.

The GBC is composed of representatives with the relevant finance, strategy, and sustainability expertise, including but not limited to the Group Treasurer and the Head of CSR. The GBC meets at least once a year, to review proposed allocations and ensure their alignment with the specified Eligibility Criteria, at least until full allocation of an amount equal to the net proceeds of all outstanding Green Bonds, and thereafter if and as need may arise. The GBC may also replace projects that no longer meet the eligibility criteria.

Complementary Information on Identifying and Managing Social and Environmental Risks: Stellantis has set responsible purchasing guidelines, which are accessible on its website (www.stellantis.com). The Company works to ensure the conditions to build and sell vehicles meet customer expectations in relation to social, environmental and ethical standards, taking into account the OECD Guiding Principles and the International Labour Organization (ILO) rules for human rights, such as child labour and forced labour. Stellantis supports the principles of the UN Global Compact and of the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work and the United Nations Convention against Corruption to its suppliers.

3. MANAGEMENT OF PROCEEDS

The allocation of an amount equivalent to the net proceeds of any Green Bond issued under this Framework to the Eligible Green Projects will be managed by Stellantis' Finance Department.

Stellantis will establish a register of Eligible Green Projects and ensure on a best effort basis that the register exceeds, or at least is equal to, the net amount of Green Bonds outstanding.

In case of divestments or if an Eligible Green Project no longer meets the Eligibility Criteria, the proceeds will be reallocated to other Eligible Green Projects. Stellantis will use its best efforts to substitute any projects that the GBC deems no longer meeting the Eligibility Criteria, as soon as reasonably practicable once an appropriate substitution option has been identified.

Pending full allocation of an amount equivalent to the net proceeds of the Green Bond to the Eligible Green Projects, the net proceeds will be invested on a temporary basis in accordance with the relevant internal treasury policies, in cash, cash equivalents or similar short-term liquid instruments.

4. REPORTING

Once any Green Bond has been issued, Stellantis will provide a Green Bond Investor Report on an annual basis, within one year of issuance, and at least until full allocation of the net proceeds, and thereafter in case of any material change to the allocation.

4.1. Allocation Reporting

The allocation report will, to the extent feasible, include the following information:

1. Aggregated amount of the net proceeds allocated to Eligible Green Projects
2. A description of the portfolio of Eligible Green Projects;
3. The outstanding amount of Green Bonds;
4. Information on the split between new financing and re-financing; and
5. Information about how unallocated proceeds, if any, have been held in line with the internal treasury policies.

4.2. Impact Reporting

Stellantis will report on the environmental impact of the Eligible Green Projects financed by its Green Bonds, when feasible and subject to data availability. The information may be provided on an aggregated portfolio basis due to confidentiality agreements, competitiveness considerations, or numerous projects limiting the amount of detail that can be made available. Stellantis intends to report on quantitative impact indicators where feasible and when relevant data information is available, and transparently disclose the methodology and/or assumptions used in the quantitative determination of the metrics.

An example is provided in the below table.

Eligible Green Projects Category	Indicative reporting metric
Clean Vehicles	Estimate of GHG emissions avoided per BEV / FCEV, by comparison with equivalent ICE vehicles

Stellantis will endeavour to apply a Life Cycle Analysis approach to compute the avoided GHG emissions for Clean Vehicles issued from Eligible Projects financed by the Green Bond(s). Life Cycle Analysis includes GHG emissions from the production phase (from extraction of materials) and use phase in well to wheel, until end of life of the vehicle.

The Allocation Reporting and Impact Reporting will be available on Stellantis' corporate website.

5. VERIFICATION

5.1. Pre-Issuance Certification

This Framework has been reviewed by CICERO Shades of Green in the form of a Second Party Opinion. The objective of the Second Party Opinion is to provide an independent assessment of this Framework's transparency and governance as well as its alignment with the GBP. The Second Party Opinion is published on Stellantis' website.

5.2. Post-Issuance Verification

A qualified provider of third party assurance or attestation services appointed by Stellantis will provide a confirmation to a 'Limited Assurance' standard that an amount equal to the net proceeds of the Green Bonds has been allocated in all material respects in compliance with the eligibility criteria set forth in this Framework and, where feasible, will confirm that the impact metric(s) disclosed in the impact report are in compliance with the reporting commitments set forth in this Framework.

The verification certificate, along with the report, will be made publicly available on Stellantis' website.

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