

Company Responses to CBS News re: allegations of children mining cobalt in Congo

FIAT CHRYSLER

"FCA is conscious of, and continues to be committed to, the safety and integrity of its global manufacturing supply chain, with special focus on countries exposed to human rights abuses or armed conflict.

"As well known, the automotive supply chain is so complex that sources of any raw material might be several tiers from FCA in the supply chain. We do not typically have a direct relationship with smelters or refiners.

"Although the source of any raw material may be several tiers removed in the supply chain, we recognize its place in our sourcing process.

"This is why we are actively engaged in a number of initiatives aimed at increasing our understanding of the issue and finding possible collaborative solutions. These initiatives include the AIAG Corporate Responsibility Steering Committee, which leads the automotive industry engagement in the cobalt/mica/Conflict Minerals activities and relationships, and the Responsible Minerals Initiative (formerly the CFSI). The Responsible Minerals Initiative (RMI) is a multi-sector non-profit organization based in the United States focused on facilitating responsible sourcing and enabling industry collaboration for the responsible sourcing of minerals from conflict-affected and high-risk areas. Through a collaborative effort, the RMI has developed and recently launched the Risk Readiness Assessment (RRA), which addresses environmental, social and governance risks present in the global supply chain. The RRA includes producers and processors of cobalt, as well as other raw materials. This tool can help improve supply chain transparency and mapping to more efficiently and pre-emptively mitigate undesirable practices as it relates to conflict minerals, cobalt and other raw materials.

"These and other evidence of FCA's commitment to providing continuous effort in cross-industry projects that may generate tangible improvements in eradicating child labor from mining and protecting human rights have been shared in past months with Amnesty International, which has used them for their public reporting on this matter.

"FCA suppliers are selected based on the quality and competitiveness of their products and services, and on their respect of social, ethical and environmental principles. Commitment to responsibility is a prerequisite to becoming an FCA supplier and developing a lasting business relationship with us. For this reason, and in order to address, prevent, and mitigate any potential impacts, FCA includes contractual clauses addressing these principles. FCA's General Terms and Conditions require that suppliers and their sub-suppliers adhere to all applicable global laws and regulations, including those which prohibit underage labor.

"If a supplier fails to follow these principles, the Group can require the supplier to implement a corrective action plan, which is then verified through audit activities, and reserves the right to

terminate the business relationship. Supplier Sustainability Guidelines are available on the FCA corporate website (https://www.fcagroup.com/en-US/sustainability/FiatDocuments/FCA_Guidelines_for_Suppliers.pdf) and on the supplier portal.

"We are in the process of finalizing the 2017 Sustainability Report, including a focus on our approach in addressing human rights and environmental issues related to raw material sourcing, including cobalt.

"In the meantime, we invite you to find more details on FCA sustainability targets, results and initiatives by visiting the sustainability section of [fcagroup.com](https://www.fcagroup.com)."