

5 – WHISTLEBLOWING PROCEDURES

This document has been translated into English for the convenience of readers outside Italy.
The original Italian document should be considered the authoritative version.

WHISTLEBLOWINGS MANAGEMENT

1. FOREWORD

Whistleblowings concern situations of suspected or alleged violations of business ethics as outlined in the Code of Conduct, financial and accounting fraud, and harassment, intimidation or discriminatory behavior towards employees or third parties.

They also include whistleblowings received from employees and individuals outside the company regarding accounting, internal controls or auditing matters.

In general, whistleblowings are submitted to the Top Management of the Group or its Sectors/Companies, or to the heads of the Human Resources, Legal and Internal Audit Functions. In other cases, they are submitted to a designated manager or other trustworthy persons, including members of the Board of Directors, the Board of Statutory Auditors, and the Internal Control Committee.

2. APPLICABLE EXTERNAL AND IN-HOUSE REGULATIONS

Section 301 of the Sarbanes-Oxley Act (SOA), with which Fiat S.p.A. is required to comply, contains provisions for managing whistleblowings and safeguarding the anonymity of whistleblowers.

The Code of Conduct and the Compliance Program (prepared pursuant to Legislative Decree 231/2001) adopted by the Group specify that designated **recipients of whistleblowings** may be the whistleblower's **direct superior**, the **Compliance Officer** or the **Compliance Program Supervisory Body** pursuant to Legislative Degree 231/2001 of **Fiat S.p.A.** as well as the Sector Compliance Officers.

These documents reaffirm the Group's commitment to safeguarding the anonymity of the **whistleblower** (i.e., the person who files a written or verbal whistleblowing regarding an ethical breach), and to guaranteeing that *employees who report violations are not subject to adverse action or reprisal of any kind, regardless of whether or not they identify themselves.*

3. DUTIES AND RESPONSIBILITIES

For the purposes of this procedure, the final decision as to whether whistleblowings are grounded in fact falls to the Compliance Officer of Fiat S.p.A., who will cooperate with the Whistleblowings Committee described in paragraph 6 below in assessing the findings of the investigations and reviews carried out by said committee prior to taking any necessary action.

More specifically:

- the duties of the Compliance Officer of Fiat S.p.A. include regular reporting of whistleblowing-related matters to the Board of Statutory Auditors and the Internal Control Committee during their regular meetings, and
- where whistleblowings concern financial statements, accounting, internal controls and auditing matters, the Board of Statutory Auditors is empowered to request that the Compliance Officer of Fiat S.p.A. provide further details, if necessary extending the investigation. The Board of Statutory Auditors may also require that implemented measures be revised and supplementary measures adopted.

4. PROCESS

The Whistleblowings Management Procedure applies to all Group Companies in all countries.

The process consists of the following activities:

- receive, register and retain whistleblowing;
- assess the objective and subjective issues raised by the whistleblowing;
- initiate, where deemed appropriate, the investigation and review process, and report to the interested parties;
- specify any disciplinary measures;
- inform the interested parties, the Board of Statutory Auditors and the Fiat S.p.A. Internal Control Committee of the findings of the review.

5. CONTROL

The procedure is based on:

- identifying the parties who can receive whistleblowings;
- safeguarding the whistleblower's anonymity to protect whistleblowers from reprisal;
- whistleblowing assessment by the Compliance Officer of Fiat S.p.A.;
- ensuring that records can be traced by and are accessible to the Internal Control Committee, the Board of Statutory Auditors and the Whistleblowings Committee;
- disclosure of whistleblowers who are demonstrated to have acted in bad faith;
- collective evaluation by the Whistleblowings Committee of proposed disciplinary measures;
- regular reporting to the Board of Statutory Auditors and the Internal Control Committee;
- any other action requested by the Board of Statutory Auditors.

6. WHISTLEBLOWINGS COMMITTEE

To ensure fairness and openness, a Whistleblowings Committee has been set up and will meet regularly in order to:

- assess the findings of whistleblowing investigations and reviews as requested by the Compliance Officer of Fiat S.p.A., and thus evaluate any disciplinary measures to be imposed for ethical breaches;
- reach collective decisions, upon request by the Compliance Officer of Fiat S.p.A., regarding measures/sanctions;
- record decisions taken;
- empower the Compliance Officer of Fiat S.p.A. to maintain an updated register for all whistleblowings and retain documentation of whistleblowing investigations and reviews, and
- evaluate requests submitted by the Compliance Officer of Fiat S.p.A. regarding disclosure of the identity of whistleblowers who can be demonstrated to have acted in bad faith.

The Whistleblowings Committee consists of the Compliance Officer, Senior Counsel and Head of Human Resources of Fiat S.p.A. and, by invitation, a representative of each Sector or Company directly involved in the whistleblowing (i.e., the Sector/Company Compliance Officer, General Counsel or Head of Human Resources).

7. WHISTLEBLOWINGS REGISTER

The Whistleblowings Register summarizes the essentials of all whistleblowings received (either directly or through other Group personnel) by the Compliance Officer of Fiat S.p.A. and by the Sector and Company Compliance Officers: the whistleblowing registration number, date of receipt, whether the whistleblowing is signed or anonymous, company/B.U., country, and function receiving the whistleblowing.

These records, which reside in segregated areas on the Fiat S.p.A. intranet:

- make secure areas available for Fiat S.p.A. and each Sector/Company, where the relevant Compliance Officers record all whistleblowings submitted, and
- enable the Compliance Officer of Fiat S.p.A. to access all whistleblowing records and update the data for which he is responsible.

In addition to whistleblowings, the Compliance Officer of each Sector and Company shall promptly notify the Compliance Officer of Fiat S.p.A. of any ethical breaches which have come to light during operations or in the course of Fiat Revi¹ audits, and provide the information needed to assess them.

In such cases, the *Whistleblowings Register* will be updated afterwards (i.e., upon conclusion of investigation and review).

The source shall be expressly identified, and the report submitted to the Board of Statutory Auditors and Internal Control Committee shall classify these cases separately.

8. OPERATING PROCEDURE AND CONTROL POINTS

WHISTLEBLOWINGS RECEIPT

Whistleblowings, whether signed or anonymous, may be submitted through a variety of channels: orally (in person or by phone), or by internal or regular mail and e-mail.

All whistleblowings arriving at the company, independently of source and who receives them, shall be forwarded immediately to the Compliance Officer of Fiat S.p.A. or to the Sector/Company Compliance Officers.

Failure to report a submitted whistleblowing is a violation of this procedure, the Code of Conduct and the Compliance Program pursuant to Legislative Decree 231/2001. All such violations will be evaluated to determine whether the sanctions contemplated by said documents will be imposed.

The Sector/Company Compliance Officer:

- records all submitted whistleblowings in the *Whistleblowings Register*;
- prepares the *summary sheet* containing all information needed to identify the whistleblowing, assess its merits, and propose further action (e.g., dismiss, investigate, etc.);
- promptly forwards all submitted whistleblowings to the Compliance Officer of Fiat S.p.A. in hardcopy form, accompanied by a copy of the summary sheet.

The Compliance Officer of Fiat S.p.A.:

- records all submitted whistleblowings in the *Whistleblowings Register*;

¹ These include cases emerging at Group companies during:

- Normal operational controls by employees or third parties in the course of current work.
- Regular Management checks on work by personnel.
- Regular checks by Sector/Company Compliance Officers to determine internal control system effectiveness.
- Audits performed by Fiat Revi on the basis of the budgeted Audit Plan or carried out upon special request from the Sectors/Companies.

- prepares the summary sheet;
- for whistleblowings received from the Sector/Company Compliance Officers, updates the summary sheet prepared by the latter and indicates his assessment of the type of action that should be proposed (which may or may not agree with the suggestions put forth by the Sector/Company Compliance Officer).

INVESTIGATION AND REVIEW

The Compliance Officer of Fiat S.p.A.:

- for detailed whistleblowings², notifies the appropriate Sector/Company Compliance Officer and the parties involved, and initiates the investigation and review process. This activity may be assigned to the Sector/Company Compliance Officer, Fiat Revi, or to the Corporate Security Officer in the case of investigations performed outside the Fiat Group;
- decides whether and in which phase to notify the subject of the whistleblowing and/or the whistleblower (if identified);
- may suspend or interrupt the investigation at any time if the whistleblowing is found to be groundless;
- in cases where the whistleblower (if identified) can be demonstrated to have acted in bad faith, may be authorized by the Whistleblowings Committee to bring suit against the whistleblower;
- updates the Whistleblowings Register and the summary sheet, indicating the current status of the whistleblowing (dismissed, under investigation, etc.).

DISCIPLINARY MEASURES

The Whistleblowings Committee:

- is notified by the Compliance Officer of Fiat S.p.A. concerning the findings of all investigations which have been concluded since the previous committee meeting, and collectively evaluates any proposed measures³ which should be taken in order to apply the sanctions envisaged by the Group. Judicial proceedings may be instituted in accordance with established procedures if there are grounds for doing so;
- assesses requests submitted by the Compliance Officer of Fiat S.p.A. to disclose the identity of whistleblowers (if non-anonymous) who have been shown to have acted in bad faith, providing the necessary documentation;
- records the decisions made during the meeting.

The Compliance Officer of Fiat S.p.A.:

- files the minutes of the meeting;
- retains documentation regarding investigations and any measures approved by the Whistleblowings Committee;
- informs Management of the findings of investigation and review and of any measures that have been approved, complying with Fiat Revi standards and confidentiality requirements;
- updates the *summary sheet*, indicating the decisions reached by the Whistleblowings Committee;
- updates the *Whistleblowings Register* with the current status of all whistleblowings;
- informs the whistleblower (if identified) of the findings of the investigations concerning the whistleblowing, or the reasons for which the whistleblowing was dismissed;
- monitors the progress of the measures agreed on by the Whistleblowings Committee;
- supplies the Board of Statutory Auditors and the Internal Control Committee with regular information regarding the whistleblowings that have been received and their current status, providing a concise, timely overview of the whistleblowings submitted in the current period and in the course of the year, how they have been handled, and

2 **Detailed whistleblowing** – A whistleblowing providing sufficient corroborating information to identify the alleged wrongdoing, the company/B.U. involved, the person(s) involved, the period in which the wrongdoing was committed, and if possible the sums, causes and aims involved in the wrongdoing. Investigations are carried out to determine whether the whistleblowing is truthful or not. Their purpose is thus to clear wrongfully accused persons, or handle the measures taken regarding the subjects of whistleblowings or whistleblowers who are found to have acted knowingly in bad faith.

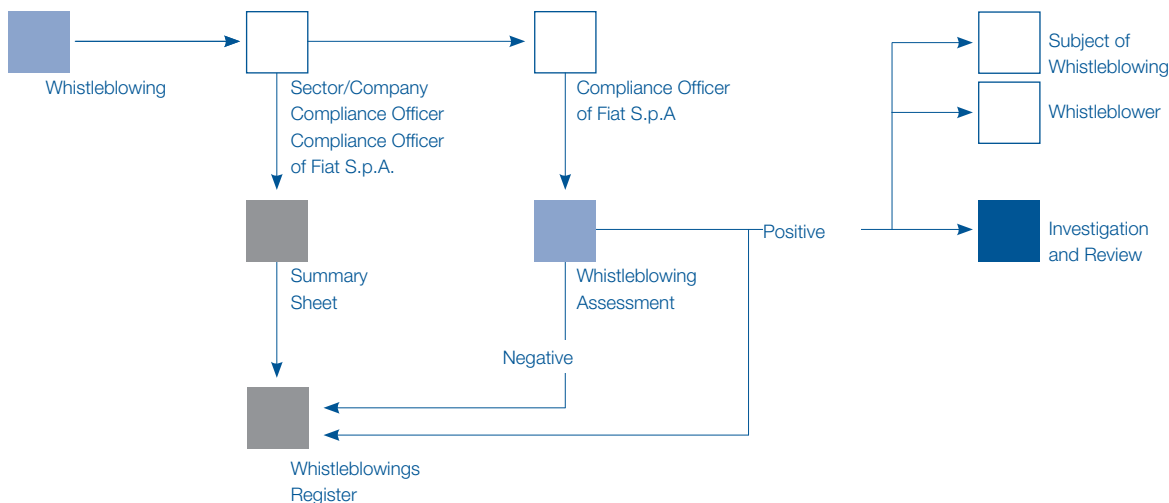
3 Measures may be taken against the subject(s) of a whistleblowing, whistleblowers who have acted in bad faith (if identified), or parties whom normal control activities or FiatRevi audits have shown to be guilty of misconduct.

the status of associated activities (in progress, concluded); for the activities that have been concluded since the previous meeting, the Compliance Officer also provides information concerning the outcome, Whistleblowings Committee decisions, and any judicial proceedings that have been instituted;

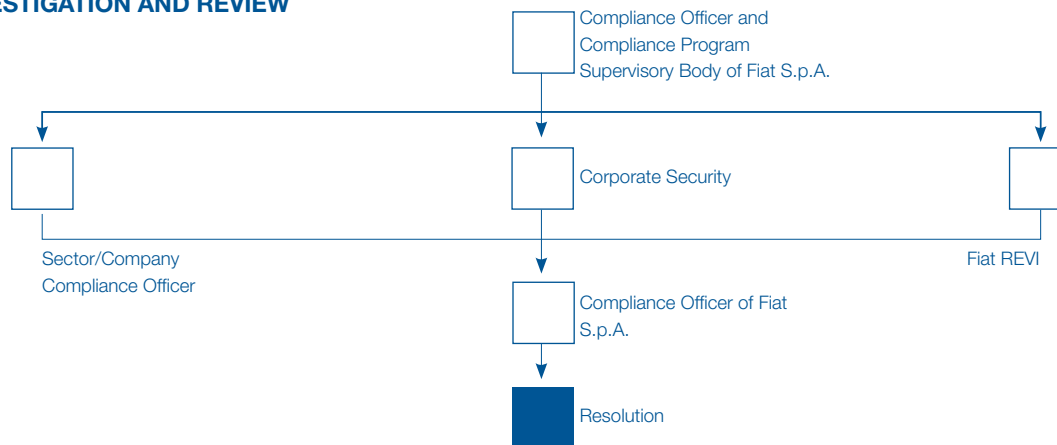
- guarantees that the Board of Statutory Auditors and the Internal Control Committee can on request access detailed documentation regarding individual whistleblowings (whether dismissed, handled, or under investigation) and minutes of Whistleblowings Committee meetings.

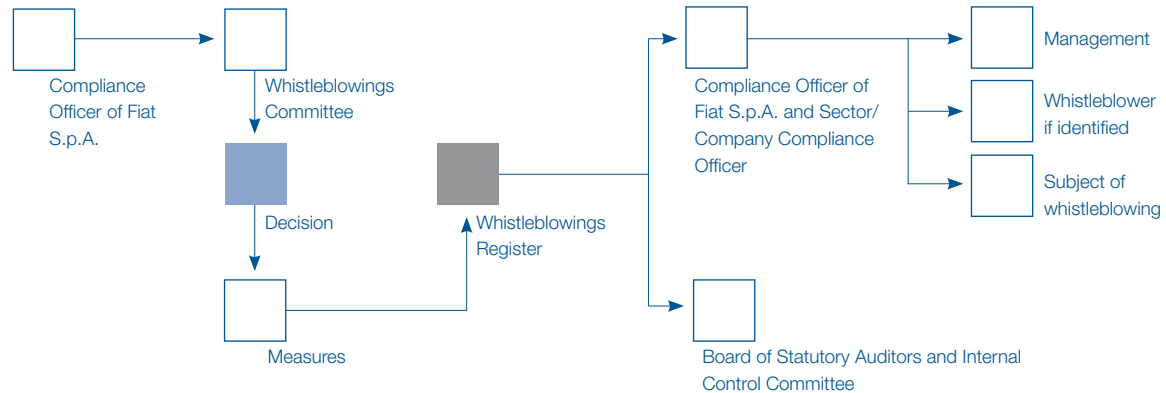
For whistleblowings concerning financial statements, accounting, internal controls and auditing matters, the Board of Statutory Auditors and the Internal Control Committee of Fiat S.p.A. may request that the Compliance Officer of Fiat S.p.A. provide further details (if necessary extending the investigation) and adopt supplementary measures.

WHISTLEBLOWINGS RECEIPT



INVESTIGATION AND REVIEW



RESOLUTION**PROCEDURE IMPLEMENTATION AND DISSEMINATION TOWARD EMPLOYEES AND THIRD PARTIES**

Upon recommendation by the Compliance Officer, the Internal Control Committee evaluates the Whistleblowings Management Procedure and submits it to the Board of Directors which, having heard the opinion of the Board of Statutory Auditors, resolves to approve it.

In conformity with local law and regulations, the procedure applies to all Group Companies in all countries.

Adoption of the procedure is reported to the Fiat S.p.A. Internal Control Committee.

The following process shall be implemented to ensure that information concerning the procedure is effectively disseminated to all Group employees:

- the Fiat S.p.A. CEO sends the text of the procedure to the CEOs and Compliance Officers of each Sector and Company, empowering them to initiate the dissemination process. This procedure, which will be accompanied by a cover letter citing the regulations outlined in the Sarbanes-Oxley Act and the principles expressed in the Code of Conduct and the Compliance Program pursuant to Legislative Decree 231/2001, emphasizes the importance of uniform methods for handling whistleblowings within the Group, and specifies the objective and subjective requirements which whistleblowings must meet in order to qualify for further investigation;
- the Whistleblowings Management Procedure is posted on the Corporate Governance area of the Group intranet, and is translated into the languages used for the Code of Conduct;
- with the consensus of the Sector and Company Human Resources functions, the Compliance Officers directly inform all Management personnel and invite function heads to take appropriate action to inform their associates;
- the internal news bulletins for each Sector and Company shall feature an excerpt from the Whistleblowings Management Procedure;
- Isvor courses shall provide an overview of the Whistleblowings Management Procedure (content shall be similar to that published in the news bulletins).

Approved: Board of Directors Meeting of 23 December 2004

Effective: 1 January 2005

Revision: Board of Directors Meeting of 20 February 2007