Dear Lucia, Dear [name],

Thank you for the discussion we had last week about semi-conductors. As outlined in detail during the call, Stellantis wants to draw the attention of the Commission to the fact that we are looking for a European production of semi-conductors with special attention to reliability, computing power and memory size. Most of the new investments in semi-conductors are currently taking place in ultra-small chips but our needs for these chips will remain below 10% of our requirements. Hence, to reduce our reliance on Asian suppliers, European investments in semi-conductors should also be geared towards larger semi-conductors.

Finally, we wanted to provide you some additional information about questions that were raised during the call:

- **How much has the lead-time for delivery of vehicles been extended because of COVID-19?**
  Despite the COVID-19 crisis, our order book stands at very high levels and unfortunately the demand cannot be met because of the semi-conductor shortage. The impact on the lead-time for delivery is very different depending on the countries, models, engines, ... 

- **What is the cost of chips in the total cost of a vehicle?**
  As you will see in the chart below, the cost of semi-conductors cost in the total bill of material (BOM) is very different between an ICE vehicle with no ADAS or an electric vehicle equipped with ADAS. The chart also shows that the costs of semi-conductors is expected to grow drastically in the next 5 years.
What is the demand for automotive chips compared to the total demand for chips?

On average the demand for automotive chips represents approximately 10% of the total demand of semiconductors but as shown in the chart below, the weight of the automobile sector is much more important for some categories such as MCU or sensors.

We hope that you find this information useful. Please do not hesitate to contact us should you have more questions.

Best regards,