

I V E C O • G R O U P

**Annual Report
at 31 December 2025**

CONTENTS

BOARD OF DIRECTORS AND AUDITOR	2
LETTER FROM THE CHAIR AND THE CHIEF EXECUTIVE OFFICER	4
BOARD REPORT	7
INTRODUCTION	7
PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION	8
SUSTAINABILITY STATEMENT	9
COMPLEMENTARY INFORMATION	149
REPORT ON OPERATIONS	159
SELECTED FINANCIAL DATA	159
RISK FACTORS	160
BUSINESS OVERVIEW	167
RESEARCH AND DEVELOPMENT	180
HUMAN RESOURCES	182
OPERATING AND FINANCIAL REVIEW	183
RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM	207
GOVERNANCE STATEMENT	216
REMUNERATION REPORT	239
MAJOR SHAREHOLDERS	258
SUBSEQUENT EVENTS FINANCIAL GUIDANCE	259
IVECO GROUP CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025	261
CONSOLIDATED INCOME STATEMENT	262
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	263
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	264
CONSOLIDATED STATEMENT OF CASH FLOWS	266
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	268
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	269
COMPANY FINANCIAL STATEMENTS AT 31 DECEMBER 2025	344
INCOME STATEMENT	345
STATEMENT OF FINANCIAL POSITION	346
NOTES TO THE COMPANY FINANCIAL STATEMENTS	347
OTHER INFORMATION	370
INDEPENDENT AUDITOR'S REPORT	371
LIMITED ASSURANCE-REPORT OF THE INDEPENDENT AUDITOR ON THE SUSTAINABILITY STATEMENT	380

Iveco Group N.V.

Corporate Seat: Amsterdam, the Netherlands

Principal Office and Business Address: Via Puglia n. 35, Turin, Italy

Share Capital: €3,454,589.70 (as of 31 December 2025)

Chamber of Commerce of the Netherlands: reg. no. 83102701

Disclaimer: this document is a PDF copy of the Annual Report of Iveco Group N.V. at 31 December 2025 and is not presented in the ESEF-format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The official Annual Report of Iveco Group N.V. in ESEF single reporting package, as filed with the AFM, is available at https://www.ivecogroup.com/investors/financials_and_news/financials

BOARD OF DIRECTORS AND AUDITOR

BOARD OF DIRECTORS^(a)

Chairperson

Suzanne Heywood

Chief Executive Officer

Olof Persson

Senior Non-Executive Director

Lorenzo Simonelli^{(1)(*)}

Non-Executive Directors

Judy Curran^{(2)(3)(*)}

Tufan Erginbilgic^{(2)(3)(*)}

Clara Fain⁽¹⁾

Essimari Kairisto^{(1)(*)}

Linda Knoll^{(2)(3)(*)}

Alessandro Nasi⁽²⁾⁽³⁾

(1) Member of the Audit Committee

(2) Member of the Human Capital and Compensation Committee

(3) Member of the Environmental, Social and Governance (ESG) Committee

() Independent Director*

(a) As appointed by the Annual General Meeting held on 16 April 2025.

INDEPENDENT AUDITOR

Deloitte Accountants B.V.

Disclaimer

Statements other than statements of historical fact contained in this document, including competitive strengths; business strategy; future financial position or operating results; budgets; projections with respect to revenue, income, earnings (or loss) per share, capital expenditures, dividends, liquidity, capital structure or other financial items; costs; and plans and objectives of management regarding operations and products, are forward-looking statements. These statements may include terminology such as "may", "will", "expect", "could", "should", "intend", "estimate", "anticipate", "believe", "outlook", "continue", "remain", "on track", "design", "target", "objective", "goal", "forecast", "projection", "prospects", "plan", or similar terminology. Forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are difficult to predict and/or are outside the Company's control. If any of these risks and uncertainties materialise (or they occur with a degree of severity that the Company is unable to predict) or other assumptions underlying any of the forward-looking statements prove to be incorrect, including any assumptions regarding strategic plans, the actual results or developments may differ materially from any future results or developments expressed or implied by the forward-looking statements. Factors, risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others: the continued uncertainties related to the unknown duration and economic, operational and financial impacts of ongoing and/or threatened international conflicts and geopolitical tensions; vulnerability to cybersecurity or data privacy incidents, also due to potential massive availability of Generative Artificial Intelligence; the many interrelated factors that affect consumer confidence and worldwide demand for capital goods and capital goods-related products, including demand uncertainty caused by current macroeconomic and geopolitical issues; changes in government policies regarding banking, monetary and fiscal policy; legislation, particularly pertaining to capital goods-related issues such as the environment, debt relief and subsidy program policies, trade and commerce and infrastructure development; government policies on international trade and investment, including sanctions, import quotas, capital controls and tariffs; volatility in international trade caused by the imposition of tariffs, sanctions, embargoes, and trade wars; actions of competitors in the various industries in which we compete; development and use of new technologies and technological difficulties; the interpretation of, or adoption of new, compliance requirements with respect to engine emissions, safety or other aspects of our products; production difficulties, including capacity and excess inventory levels; labour relations; interest rates and currency exchange rates; inflation and deflation; energy prices; our ability to obtain financing or to refinance existing debt; price pressure on new and used vehicles; the resolution of pending litigation and investigations on a wide range of topics, including dealer and supplier litigation, follow-on private litigation in various jurisdictions after the settlement of the EU antitrust investigation of the Iveco Group announced on 19 July 2016, intellectual property rights disputes, product warranty

and defective product claims, and emissions and/or fuel economy regulatory and contractual issues; security breaches, cybersecurity attacks, technology failures, and other disruptions to the information technology infrastructure of Iveco Group and its suppliers and dealers; security breaches with respect to our products; further developments of geopolitical threats which could impact our operations, supply chains, distribution network, as well as negative evolutions of the economic and financial conditions at global and regional levels; political and civil unrest; volatility and deterioration of capital and financial markets, including other pandemics, terrorist attacks or acts of war in Europe and elsewhere; our ability to realise the anticipated benefits from our business initiatives as part of our strategic plan; our failure to realise, or a delay in realising, all of the anticipated benefits of our acquisitions, joint ventures, strategic alliances or divestitures and other similar risks and uncertainties, and our success in managing the risks involved in the foregoing.

Forward-looking statements are based upon assumptions relating to the factors described in this report, which are sometimes based upon estimates and data received from third parties. Such estimates and data are often revised. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside Iveco Group's control. Except as otherwise required by applicable rules, Iveco Group expressly disclaims any intention to provide, update or revise any forward-looking statements in this document to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Further information concerning Iveco Group, including factors that potentially could materially affect Iveco Group's financial results, is included in Iveco Group's reports and public filings under applicable regulations.

Additional factors which could cause actual results and developments to differ from those expressed or implied by the forward-looking statements are included in the section "Risk Factors" of this Report.

All forward-looking statements by Iveco Group or persons acting on the behalf of Iveco Group are expressly qualified in their entirety by the cautionary statements contained herein or referred to above.

LETTER FROM THE CHAIR AND THE CHIEF EXECUTIVE OFFICER

DEAR SHAREHOLDERS,

The strength of Iveco Group is built on a history of pride in our products, care about our customers and commitment to the long-term growth of our operations.

In 2025, we celebrated our 50th anniversary, marking half a century of innovation, dedication and progress. Achieving this milestone has only been possible because of the hard work and perseverance of our colleagues and dealers, and the support of our customers – and we would like to thank all of them for their commitment and support.

We commemorated this milestone with a series of events at our sites around the world, celebrating our industrial heritage and our vision for the future of transport. The centrepiece of these celebrations was the four-day '50xBeyond' event held in Turin, Italy – the birthplace of IVECO and the home of our Group's headquarters. We welcomed customers, dealers, partners and employees and took them on a journey through IVECO's legacy of ingenuity and progress, spotlighting the brand's distinctive position in the market.

We also took the opportunity to unveil the ambition that will drive IVECO into the future: *Spirito in Movimento*. This speaks to who we are, and where we're going – proud of our origins, while always looking towards the future.

As well as celebrating this milestone, 2025 was also the start of a new chapter for our company. In July 2025 we announced the sale of Iveco Group's defence business to Leonardo, allowing for the creation of an Italy-based European land defence leader. We also announced Tata Motors' voluntary tender offer for the acquisition of Iveco Group, excluding defence, to form a major player in commercial vehicles with the reach, product portfolio and industrial capability of a global champion. These two transactions will secure the future of our businesses, giving each the scale it needs to compete and to continue to deliver the products our customers value, embracing *Spirito in Movimento* – while safeguarding our employees and providing an exciting future for our dealers.

Alongside preparing for these transformative moves, we remained vigilant in managing our industrial performance. In the face of the declining European market for light commercial vehicles and heavy-duty trucks, we tightened inventory controls, maintained cost discipline and accelerated our Efficiency Programme.

FINANCIAL HIGHLIGHTS

The challenges we experienced in 2025 – from cooling demand in key segments to complex production transitions – impacted on our full-year financial results. Two factors in particular weighed on the volumes and profitability of the Group and affected our full-year free cash flow performance. First, the declining European market for both light commercial vehicles and heavy-duty trucks; and second, a delay in the production ramp-up of the newest models in our state-of-the-art electric city buses at our Annonay plant in France. To counterbalance these challenges, we balanced pricing with market share in our Truck division and managed channel inventory, lowering it substantially in Europe to offset higher dealer inventory in South America. We also defended our leadership in the LCV chassis cab sub-segment and maintained pricing discipline across our medium and heavy-duty ranges during the final introductory phase of our Model Year 2024 in Europe.

Our Consolidated Net Revenues for our continuing operations were 13.4 billion euros at the end of 2025, down 7% compared to the previous year, and our Consolidated EBIT was 538 million euros compared to 729 million euros at the end of last year. Industrial Activities Net Revenues stood at 13.1 billion euros, which is 7% lower than last year and slightly below the updated guidance provided at the beginning of November. Industrial Activities Adjusted EBIT⁽¹⁾ was also below the updated guidance, closing the year at 529 million euros compared to 761 million euros last year. Free Cash Flow⁽¹⁾ was negative 109 million euros for continuing operations.

Underneath these results there were specific dynamics in each of our business units that it is helpful to unpack.

First, the demand for trucks in Europe remained low across ranges throughout the year – particularly in the chassis cab sub-segment. This impacted profitability which was partially offset by cost control measures. European deliveries for the full year dropped year-over-year, especially for light commercial vehicles, which were down 23% versus the previous year. At the end of 2025, worldwide Truck book-to-bill came in close to 1.0x, up 27 basis points compared to last year.

Our electric vehicle delivery volumes grew across all ranges in 2025, despite softened market demand, showing the competitiveness of our electric product line-up. Our position will be further strengthened in the first half of 2026 with the inaugural distributions of the new eJolly and eSuperJolly 100% battery-electric vans. These two models, resulting from the partnership with Stellantis Pro One, complete IVECO's offering of battery-electric light commercial vehicles and secure our position as the only truck manufacturer to offer a comprehensive, fully electric line-up from 2.5 to up to over 16 tons.

In our Bus division, profitability improvements were tempered by additional costs associated with the delay in the production ramp-up at our Annonay plant in France and supplier delays. Consequently, free cash flow generation was negatively impacted by 200 million euros. We will ensure that the unfinished products in our inventory at the end of last year are deployed in 2026, freeing up this working capital. Despite these constraints, our order book for buses remains strong, providing us with clear visibility throughout 2026.

Our Powertrain business benefitted from careful cost control and improved operational efficiency. In the third quarter, we began to see increasingly positive signs of recovery in third-party customers. This, plus a positive product mix and disciplined pricing, drove profitability improvements by year-end. During the fourth quarter, we reinforced our leadership at the forefront of the European agricultural sector by starting to supply N67 engines for the new Deutz-Fahr 8 series tractor. Our engine volumes gained momentum overall, particularly in the fourth quarter, and we expect to continue at a similar pace throughout 2026.

EXTRAORDINARY TRANSACTIONS

We began the year by concluding – as planned – the transfer of Magirus and its affiliates to Mutares, an operation initiated in 2024. This enabled us to create the ideal configuration for the significant strategic developments that followed.

On 30th July 2025 we announced two extraordinary transactions: one involving our Defence business and the other encompassing the Group's Truck, Bus, Powertrain and Financial Services business units.

Our first announcement was the signing of an agreement to sell our defence business – IDV and ASTRA brands – to Leonardo, a leading European defence and security company. The transaction is poised to create an Italy-based, European champion in the land defence segment, with the scale and capabilities to compete globally. It is expected to be complete within the first quarter of 2026, subject to customary regulatory approvals and carve-out completion. On completion, Iveco Group intends to distribute the net proceeds of the transaction, subject to closing adjustments, to shareholders through an extraordinary dividend.

On that same day, together with the global automotive leader Tata Motors, we announced our agreement to create a commercial vehicles group with the reach, product portfolio and industrial capability to become an international powerhouse in this dynamic sector. Tata Motors intends to make a voluntary tender offer to acquire all issued common shares of Iveco Group, after the separation of our Defence business. This combination brings together two businesses with highly complementary product portfolios and capabilities, and with substantially no overlap in their industrial and geographic footprints. It creates a stronger, more diversified entity with expected sales of over 540,000 units per year and combined revenues of approximately 22 billion euros. Tata Motors is committed to supporting and accelerating our existing strategy and ensuring the long-term interests of all our stakeholders, including employees, customers and suppliers.

Lastly, in October, Iveco Group and DLL – a global leader in vendor finance and a subsidiary of Rabobank – entered into a joint venture, with DLL acquiring a majority interest in GATE, the pay-per-use rental solution for low- to zero-emission commercial vehicles founded by Iveco Group in 2023. The new JV structure provides GATE with strengthened financial backing and asset financing expertise, both crucial enablers for accelerating its growth strategy.

SUSTAINABLE BUSINESS PRACTICES

While managing the ordinary course of our businesses and advancing these extraordinary transactions, our commitment to sustainability remained intact – since it is ingrained in every aspect of our operations.

Our ambitious ESG targets span across four key areas: net zero carbon emissions, workplace and product safety, life cycle thinking, and inclusion and engagement. Many of our 2026 targets were achieved already at the end of 2025, one year ahead of schedule: 100% of our total electricity consumption was derived from renewable sources; 76.9% of our industrial water was recycled; our injury frequency rate went down 51% versus 2019; and we confirmed our EDGE certification for workplace gender equity.

In 2025, our sustainability performance and the transparency of our disclosures were validated by our inclusion in global sustainability indices. Our high ratings from sector-specific agencies mirror our commitment to sustainability-led strategies that deliver a positive impact on the environment and society. We ranked in the top 5% of the S&P Global Corporate Sustainability Assessment for our industry and achieved the highest score of 'A' in climate change and 'A-' in water security in the 2025 CDP Assessment.

We also continued to support initiatives that improve lives within the communities where we operate. In 2025, we worked with non-governmental organisations to deliver meaningful, measurable and lasting impact. These social responsibility efforts focused on three core areas: fostering health and wellbeing; reducing inequality and protecting diversity and vulnerable groups; preserving biodiversity.

Equally relevant, our industrial business units kept incorporating sustainability into the design, manufacture and use of our products, earning recognition throughout the year. Our Truck plant in Valladolid, Spain, won the Automotive Lean Production Award 2025 for 'Digital Use Case OEM: Smart Safety'. In Italy, the prestigious 'Barsanti e Matteucci' XXIV International Award went to IVECO for technological excellence in the mobility sector. IVECO BUS earned two accolades: the Crossway Elec electric bus was named 'Sustainable Bus of the Year 2026' and the Urbanway Hybrid bus was crowned 'Top City Bus Slovakia Transport 2025'. FPT was confirmed Engine Manufacturer of Choice for premium tractor brands, powering three 'Tractor of the Year' 2026 winners.

LOOKING AHEAD

While 2025 presented a series of challenges, the Iveco Group team showed resilience, adapting to market shifts and working on the two extraordinary transactions announced in July 2025, in line with the original timelines we set out. We look ahead with confidence as we remain focussed on quality, operational excellence and the ongoing acceleration of our Efficiency Programme. Across our business units, we are committed to delivering long-term value for all our stakeholders.

As we progress on this journey, we thank you for your continued loyalty and support. It is a privilege to move forward together with you.

Yours sincerely,

Suzanne Heywood
Chair, Iveco Group

Olof Persson
Chief Executive Officer, Iveco Group

⁽¹⁾ This is a non-EU-IFRS financial measure. Refer to the Board Report, section "Operating and Financial Review" for information regarding the non-EU-IFRS financial measures used by the Group and the reconciliation between the non-EU-IFRS financial measure and the most comparable EU-IFRS financial measure.

BOARD REPORT

INTRODUCTION

Iveco Group N.V. (the “Company” and together with its subsidiaries the “Iveco Group” or the “Group”) was incorporated as a public limited company (*naamloze vennootschap*) under the laws of the Netherlands on 16 June 2021. The Company’s corporate seat is in Amsterdam, the Netherlands, and its principal office and business address is Via Puglia n. 35, Turin, Italy. The Company is registered with the trade register of the Chamber of Commerce of the Netherlands (*Kamer van Koophandel*) under number 83102701. The Netherlands is the Company’s home member state for the purposes of the EU Transparency Directive (Directive 2004/109/EC, as amended by Directive 2013/50/EU). Unless otherwise indicated or the context otherwise requires, the terms “we”, “us” and “our” refer to Iveco Group N.V. together with its subsidiaries.

The Company was formed in the context of the separation (“the Demerger”) of the Commercial and Specialty Vehicles business, the Powertrain business as well as the related Financial Services business from CNH Industrial N.V. The Demerger became effective on 1 January 2022 (the “Effective Date”), and the Company ultimately began to act as a holding for the Iveco Group, also providing for central treasury activity in the interest of Group’s subsidiaries.

On 3 January 2022, the Company’s Common Shares started trading on Euronext Milan (previously named the Mercato Telematico Azionario), a regulated market operated by Borsa Italiana S.p.A. in Milan, Italy. As a result of the listing, the Company became a Dutch Public Interest Entity (OOB) on 3 January 2022.

Iveco Group N.V. is a global automotive leader that, through its various businesses, designs, produces and sells trucks, commercial vehicles, buses, and defence vehicles, in addition to a broad portfolio of powertrain applications. In addition, Iveco Group’s Financial Services segment offers a range of financial products and services to dealers and customers.

MERGER AGREEMENT WITH TATA MOTORS

On 30 July 2025, Iveco Group and Tata Motors Limited (“Tata Motors”), a global automotive leader, announced that they had reached an agreement on an envisaged recommended voluntary tender offer (the “Offer”) to create a commercial vehicles group with the reach, product portfolio and industrial capability to be a global champion in this dynamic sector. The completion of the offer is conditional, *inter alia*, on the separation of Iveco Group’s Defence business and, as such, the public offer is for all issued common shares of Iveco Group after the separation of that business, at a price of €14.1 (*cum dividend*, excluding any dividend distributed in relation to the sale of the Defence business) per share in cash (the “Offer Price”). The Offer represents a total consideration of approximately €3.8 billion for Iveco Group, excluding Iveco Group’s Defence business and the net proceeds from the Defence business separation. The Iveco Group Board of Directors unanimously and fully supported the Offer and recommended the Offer for acceptance by the shareholders of Iveco Group. Exor N.V., Iveco Group’s largest shareholder, has irrevocably committed to support the Offer and tender its shareholding representing approximately 27.06% of Iveco Group’s common shares and 43.11% of all voting rights. The Offer is subject to obtaining the required merger control, foreign direct investment, EU Foreign Subsidies Regulation and financial regulatory clearances, and is expected to complete in the first half of 2026.

DISCONTINUED OPERATIONS - DEFENCE BUSINESS

On 30 July 2025, Iveco Group announced the signing of a definitive agreement to sell its Defence business (IDV and ASTRA brands) to Leonardo S.p.A., for an enterprise value of €1.7 billion. The transaction is expected to be complete no later than 31 March 2026. The corporate carve out of the Defence business was completed in 2025 and the required regulatory approval processes are in progress as expected. Furthermore, in the context of the Merger Agreement with Tata Motors, for the event that completion of the sale of the Defence business to Leonardo S.p.A. does not occur prior to or on 31 March 2026, Iveco Group N.V. announced it would have taken all actions necessary to complete its spin-off through a statutory demerger, which would transfer the business into a company, newly incorporated under Dutch law. Therefore, an Extraordinary General Meeting was convened to resolve on 25 March 2026 also upon the demerger, in accordance with the demerger proposal between the Company and IDV Group N.V. dated 11 February 2026, to become effective on the day following the execution of the notarial deed of demerger. The Board of Directors reserved the right to remove this item from the agenda of the Extraordinary General Meeting in case it becomes evident prior to the Extraordinary General Meeting that the sale of the Defence business to Leonardo S.p.A. has been completed or will be completed.

In accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*, as the sale became highly probable in July 2025, the Defence business met the criteria to be classified as a disposal group held for sale; it also met the criteria to be classified as Discontinued Operations. In accordance with applicable accounting standards, the figures in the Income Statement and Statement of Cash Flows for 2024 comparative periods have been recast consistently.

DISCONTINUED OPERATIONS - FIRE FIGHTING BUSINESS

On 3 January 2025 Iveco Group completed the transfer of ownership of Magirus GmbH and its affiliates performing the Fire Fighting business. Starting with the first quarter of 2024 and during the same year, according to IFRS 5, the Fire Fighting business was classified as a disposal group held for sale and as Discontinued Operations.

PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

Iveco Group reports quarterly and annual consolidated financial results prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU-IFRS), and with the euro as the presentation currency. The tables and discussion related to the financial results of the Company and its segments shown in this Report are prepared in accordance with EU-IFRS and, unless otherwise indicated, all financial data set forth in this Report are expressed in euro.

As of 31 December 2025, Iveco Group reports its operations under four reportable segments: Truck, Bus, Powertrain, and Financial Services. These operations are reported as Continuing Operations. The activities carried out by Truck, Bus, and Powertrain, as well as corporate functions, are collectively referred to as "Industrial Activities".

Furthermore, Iveco Group still controls Defence Business classified as Discontinued Operations.

Certain financial information in this report has been presented by geographic region. Our geographic regions are: (1) Europe; (2) South America; (3) North America and (4) Rest of World. The geographic designations have the following meanings:

- Europe: member countries of the European Union, European Free Trade Association, the United Kingdom, Ukraine and Balkans;
- South America: Central and South America, and the Caribbean Islands;
- North America: United States, Canada and Mexico; and
- Rest of World: Continental Asia (including Türkiye and Russia), Oceania and member countries of the Commonwealth of Independent States, the African continent and Middle East.

Certain industry and market share information in this report has been presented on a worldwide basis which includes all countries. In this Report, management estimates of past market-share information are generally based on registrations of equipment in most of Europe, Brazil, and various Rest of World markets, and on retail and shipment unit data collected by a central information bureau appointed by equipment manufacturers associations, including the ANFAVEA in Brazil, as well as on other shipment data collected by an independent service bureau. Commercial Vehicles regions are defined as follows: Europe (the 27 EU countries where Commercial Vehicles competes and for which market data are available, excluding the United Kingdom and Ireland, for market share and total industry volume (TIV) reporting purposes), South America (Brazil, Argentina), and Rest of World (Russia, Türkiye, South-East Asia, Australia, New Zealand). Iveco Group Light Commercial Vehicles (LCV) Professional Cab-Chassis only considers the major 14 European markets. Professional Cab-Chassis TIV is based on estimates subject to ongoing review and improvement; this supervision approach may lead to changes in Iveco Group market share, even in past periods. In addition, there may be a period of time between the shipment, delivery, sale and/or registration of a unit, which must be estimated, in making any adjustments to the shipment, delivery, sale, or registration data to determine our estimates of retail unit data in any period.

SUSTAINABILITY STATEMENT

1. GENERAL DISCLOSURES (ESRS 2)

1.1 GENERAL BASIS FOR THE PREPARATION OF THE SUSTAINABILITY STATEMENT (BP1, BP2)

Iveco Group's 2025 Sustainability Statement was prepared in accordance with the European Sustainability Reporting Standards (ESRS) developed by the European Financial Reporting Advisory Group (EFRAG). Although the adoption of the Corporate Sustainability Reporting Directive (CSRD) in the Netherlands is still pending, the Group has chosen to take a proactive approach by voluntarily adhering to the ESRS.

The Iveco Group Sustainability Statement aims to give stakeholders a comprehensive overview of the Group's operations, integrating its financial results and economic commitments with its environmental and social ones.

Sustainability Statement contents are selected through a process of exchange and comparison across Iveco Group's internal departments, facilitated by a network of representatives within the different organisational areas that oversee the implementation of relevant initiatives and the reporting of sustainability performance.

The Statement's contents are defined based on the results of the double materiality assessment and are intended to provide as complete a representation as possible of the relevant information, outlining environmental and social action priorities and timeframes, to enable a thorough evaluation by stakeholders.

Unless otherwise indicated, the terms 'Iveco Group', 'Group', and 'Organisation' refer to Iveco Group together with all its subsidiaries (also called 'legal entities', 'companies', and 'group of companies'). 'Company' refers to Iveco Group N.V.

The annual reporting period of the Sustainability Statement covers information and data for the 2025 financial year – which coincides with the calendar year – for the whole of Iveco Group worldwide as consolidated in the 2025 Annual Report as at 31 December 2025. The Statement therefore covers 100% of the Group's activities.

The qualitative and quantitative information presented in the Sustainability Statement encompasses the Group's upstream and downstream value chain, highlighting the material sustainability matters deemed significant, including beyond corporate boundaries.

Unless otherwise indicated, the definitions of short, medium, and long term align with those of the ESRS.

Unless otherwise indicated, 'n/a' in tables stands for 'not applicable' and 'n.a.' stands for 'not available'.

Approach to Data Calculation

Any significant restatement of data or information from the previous reporting period is explicitly noted in the relevant sections, in either the text or the accompanying tables. Changes in performance compared to previous years are calculated using all available decimal places to ensure accuracy. Additionally, all target achievement dates refer to the end of the year, specifically to 31 December of the year indicated.

Several **base years** were selected when setting Iveco Group's targets, for the following reasons:

- 2019 (for targets regarding CO₂ emissions reduction, environmental aspects, safety and educational activities) – to allow comparability with performance results achieved prior to the impact of various external factors (i.e., the pandemic, supply chain disruptions, and gas price rises as a result of the war in Ukraine)
- 2021 (for newly established targets regarding collaboration projects with suppliers and the Net Promoter Score) – being the first available year for tracking these specific new targets
- 2022 (for targets regarding Scope 3 emissions) – to standardise all Scope 3 targets following the revision of Iveco Group's product use target, which was modified to align with new regulatory requirements and the Organisation's updated Strategic Business Plan.

Sources of Estimation and Outcome Uncertainty

Most data reported in the Sustainability Statement was prepared using internal tools, while certain sustainability metrics were based on judgements, estimates, and assumptions. Where available, Iveco Group uses reputable external sources and historical data, reviewing and updating its approach regularly. However, these methods involve inherent uncertainties. This means that, when data was unavailable or incomplete, it was supplemented with data based on estimates and assumptions. This is outlined in the following table, together with references to the relevant Sustainability Statement sections where further details are provided.

Section	Data that was estimated
3.5 Climate Metrics (under 3. Climate Change)	Unavailable data for some non-manufacturing sites Unavailable data for Scope 3 categories 6, 7, 11, and 12
4.5.1 Our Operations (under 4. Pollution of Air)	Unavailable data on NO _x , SO _x , and dust emissions for some non-manufacturing sites
5.5 Water Consumption (under 5. Water Resources)	Unavailable data for some non-manufacturing sites
6.3.1 Resource Inflow Actions, Targets, and Metrics – Technical raw materials (under 6. Resource Use and Circular Economy)	For recycled content, estimates were based on a sample of data for vehicles produced in Europe, reflecting the respective material compositions reported
6.4.1 Waste Actions, Targets, and Metrics (under 6. Resource Use and Circular Economy)	Unavailable data for some non-manufacturing sites

Governance and Economic Data Calculation

Financial data was sourced directly from the Annual Report or through dedicated IT tools used by the Finance Department for ad hoc data collection.

Figures in **currencies** other than euro were converted at the yearly average exchange rate as at 31 December 2025.

Environmental Data Calculation

Regarding both **environmental** and **energy performance**, normalised production unit indexes were defined specifically to track the respective medium- and long-term performance trends. This approach emphasises performance improvements due to process optimisation rather than fluctuations in production volumes.

Performance indicators are calculated on the **total number of manufacturing hours**, defined as the hours of presence of hourly employees within the manufacturing scope required to manufacture a product.

Values expressed in **tons** refer to metric tons/tonnes (1,000 kilos).

The Group's environmental data – including performance indicators such as energy consumption, Scope 1 and 2 emissions, water usage, and waste generation – is presented according to two distinct reporting scopes:

- **Group-Wide:** this scope encompasses all Iveco Group entities and sites, providing a comprehensive overview of the Organisation's environmental performance as a whole
- **Focus Area:** this scope includes only production areas within manufacturing plants, identified as having the greatest impact on environmental performance, providing a targeted view of the scope with the greatest influence.

Focus Area Scope

Plant	Country
Vysoke Myto	Czech Republic
Annonay	France
Bourbon-Lancy	France
Rorthais	France
Bolzano	Italy
Brescia Truck	Italy
Foggia Powertrain	Italy
Piacenza	Italy
Suzzara	Italy
Torino Driveline	Italy
Torino Motori	Italy
Vittorio Veneto	Italy
Madrid	Spain
Valladolid	Spain
Cordoba Truck	Argentina
Cordoba Powertrain	Argentina
Sete Lagoas Truck	Brazil
Sete Lagoas Defence	Brazil
Sete Lagoas Powertrain	Brazil
Chongqing	China

The Group-Wide reporting scope in 2025 included, in addition to the aforementioned plants, a further 6 manufacturing sites⁽¹⁾ along with Group spare parts warehouses, research laboratories, test tracks, and office buildings.

Social Data Calculation

Own workforce refers to the entire corporate scope as at 31 December 2025, and is reported as the headcount number, unless otherwise specified.

Employees are divided into 4 main categories: Hourly, Salaried, Professional, and Manager. Professional encompasses all individuals in specialised roles. Manager refers to individuals in manager/senior professional roles and above. All categories include both full-time and part-time employees.

Investment data for **local communities** is categorised as per the principles set out in the Business for Societal Impact (B4SI) Framework. Data is based on accounting data and methods, and also includes estimates.

Other

In March 2024, Iveco Group announced an agreement with the listed private equity investor Mutares SE & Co. KGaA to transfer the ownership of the Group's Fire Fighting Business Unit, namely of Magirus GmbH and its affiliates under the Brand MAGIRUS. The transfer was completed on 3 January 2025.

Some figures for 2019 (the base year for some targets) and for 2024 were either **restated** (to reflect an adjustment or change in calculation methodology) or **recalculated** and reported separately as recast data (to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit), to enable comparability with the 2025 reporting perimeter.

Significant restatement or recalculation of data or information from the previous reporting period is explicitly noted in either the Data Calculation Methodology sections or in the accompanying tables.

The aforementioned changes were made in line with ESRS 1 paragraph 7.1 'Presenting comparative information' and paragraph 7.5 'Reporting errors in prior periods'.

Other information regarding specific circumstances, and their impact on the preparation of the Sustainability Statement, is provided in the corresponding sections, along with the related disclosures.

⁽¹⁾ In this section of the Annual Report, the FPT Industrial and Marine engines production line and the FPT ePowertrain plant in Turin (Italy) are treated as part of the Torino Motori plant and of the Torino Driveline plant, respectively.

1.2 THE BOARD OF DIRECTORS AND ITS COMMITTEES (GOV-1, GOV-2)

Iveco Group is a public limited liability company (*naamloze vennootschap*) incorporated and organised under Dutch law. While its corporate seat is in Amsterdam (the Netherlands), its principal place of business and effective management is in Turin (Italy). Its Common Shares are listed on Euronext Milan, managed by Borsa Italiana S.p.A. Accordingly, the Company complies with Dutch law, Italian financial market rules, and the best practice provisions⁽²⁾ of the Dutch Corporate Governance Code (DCGC). The DCGC's aim is to ensure a sound and transparent system of checks and balances within Dutch listed companies by regulating relationships within the board of directors and between the board and the company's shareholders.

Iveco Group has a **one-tier board structure** that is charged with top-level administrative, management, and supervisory responsibilities. It comprises Executive Directors and Non-Executive Directors, collectively referred to as 'Directors'. The Board as a whole is responsible for the strategy and the continuity of the Company and its businesses. Each Director has an obligation to the Company to properly perform the duties assigned under or pursuant to the law or the Articles of Association, and to act in the Company's corporate interest, which extends to the interests of all its stakeholders, including shareholders, creditors, and employees.

The Executive Directors are primarily responsible for overseeing the Company's day-to-day operations. The Non-Executive Directors supervise (i) the Executive Directors' policies and performance of duties and (ii) the Company's general affairs and business, rendering both solicited or unsolicited advice and direction to the Executive Directors. The applicable rules and the Company's Articles of Association do not provide for the representation of employees or other workers on the Board.

In 2025, no Board member had held a comparable position in public administration (including regulatory bodies) in the 2 years prior to their appointment.

As at 31 December 2025, the Board was composed of 9 Directors, with 2 (22%) serving as Executive Directors (one with the title of Chairperson – Suzanne Heywood – and one with the title of Chief Executive Officer – Olof Persson), and 7 (78%) as Non-Executive Directors. Of the total Directors, 44% were male and 56% female, all were appointed for a term expiring on the day of the Company's Annual General Meeting in 2026, and 5 met the DCGC's independence requirements. No Board member was under 30 years of age, with 1 member in the 30-50 age group and 8 members in the over-50 age group.

Iveco Group Board of Directors – Overview

As at 31 December 2025

Director	PERSONAL INFORMATION			IVECO GROUP DIRECTORSHIP		
	Born in	Gender Identity ^(a)	Geographic Diversity	Executive	Independent	Year of Initial Appointment
Suzanne Heywood	1969	F	UK	Yes	No	2022
Olof Persson	1964	M	SE	Yes	No	2022
Lorenzo Simonelli ^(b)	1973	M	CH-IT-UK-USA	No	Yes	2022
Judy Curran	1961	F	USA	No	Yes	2024
Tufan Erginbilgic	1959	M	TR-UK	No	Yes	2022
Clara Fain	1985	F	FR	No	No	2025
Essimari Kairisto	1966	F	DE-FIN	No	Yes	2022
Linda Knoll	1960	F	USA	No	Yes	2022
Alessandro Nasi	1974	M	IT	No	No	2022

^(a) Gender identity is defined as an individual's internal sense of being male (M), female (F), both (B), neither (N), or something else (SE).

^(b) Senior Non-Executive Director.

In line with its regulations, its composition guidelines, and the Company's Diversity, Equity & Inclusion Policy, the Board of Directors is composed of individuals who bring the appropriate skills and experience needed for a company of Iveco Group's size, geographic reach, and business focus. These competencies include expertise on general and industry-specific management, international business, Environmental, Social and Corporate Governance (ESG), quality and regulations, finance and accounting, human resources, information technology and digital (namely cybersecurity), marketing, and governmental and public affairs, all aligned with Iveco Group's business mission. The Company believes that bringing different perspectives into the boardroom creates more effective discussions. To this end, appropriate diversity criteria (including age, gender, and cultural and professional background) are applied to ensure a broad range of views on the Board. Combined with the skills and expertise of the Board members, these different perspectives support a deeper understanding of current affairs and of the longer-term risks and opportunities regarding Iveco Group's business, considering the geographic, social, and environmental context in which it operates.

⁽²⁾ Except as discussed in the section 'Compliance with the Dutch Corporate Governance Code' in this Annual Report.

Each Board member's **main skills** are summarised in individual charts available on the corporate website under their respective profiles⁽³⁾; these skills were self-assessed using a 3-level scale (basic, medium, or full skill). Directors may request targeted induction initiatives to support their ongoing skills development, particularly in response to evolving scenarios, needs, and priorities. Based on the annual self-assessment performed under the oversight of the ESG Committee, the Board considers itself well-suited to fulfil its duties given the Company's current and prospective challenges, and will continue to consider enhanced diversity and independence as a priority. The Directors' skills (along with their definitions) are summarised below.

Iveco Group Board of Directors – Skills Matrix
As at 31 December 2025

Director	SKILLS CATEGORIES							
	Industry	Strategy & Corporate Development	Innovation	Sustainability	Risk Management	ICT & Cybersecurity	Governance	Financial
Suzanne Heywood	Full	Full	Medium	Medium	Medium	Full	Full	Full
Olof Persson	Full	Full	Full	Full	Full	Full	Full	Full
Lorenzo Simonelli	Medium	Full	Full	Full	Full	Full	Full	Full
Judy Curran	Full	Full	Full	Full	Full	Full	Full	Full
Tufan Erginbilgic	Basic	Full	Medium	Full	Medium	Full	Full	Full
Clara Fain	Medium	Full	Full	Medium	Full	Medium	Full	Full
Essimari Kairisto	Basic	Full	Full	Medium	Full	Medium	Full	Full
Linda Knoll	Full	Full	Full	Full	Medium	Basic	Full	Medium
Alessandro Nasi	Full	Full	Medium	Full	Medium	Medium	Full	Full

The three skill levels (basic, medium, full) are described as follows:

Full

- Director possesses extensive skills/knowledge/experience
- Director has received significant formal training and guidance and is able to provide same to colleagues

Medium

- Director has proven skills/knowledge/experience
- Director has received formal training

Basic

- Director has a foundational level of skills/knowledge/experience
- Director has received basic induction.

The following are the skills definitions used to compile the Skills Matrix.

- **Industry:** Experience at executive and/or board level at companies operating in the following 2 sub-industries⁽⁴⁾:
 - Industry: 201060 Machinery; sub-industry: 20106010 Construction Machinery & Heavy Transportation Equipment: Manufacturers of heavy-duty trucks, rolling machinery, earth-moving and construction equipment, and manufacturers of related parts. Includes non-military shipbuilding
 - Industry: 251020 Automobiles; sub-industry: 25102010 Automobile Manufacturers: companies that produce mainly passenger automobiles and light trucks.
- **Strategy and corporate development:** Experience at executive and/or board level in developing and leading strategy. Experience in analysing, identifying, and evaluating corporate development opportunities in a financial/insurance institution, including mergers, acquisitions, partnerships, joint ventures, and product development. Experience in overseeing an organisation's transformation and disclosures resulting from identified risks and opportunities.
- **Innovation:** Experience at executive and/or board level in developing and leading forward-thinking innovation, or change initiatives including those that produce new solutions or efficiencies in business models, products, or operational excellence.

⁽³⁾ Visit the [Board of Directors section](#) of the corporate website.

⁽⁴⁾ Although Iveco Group is a multi-business undertaking, its activities relate to 2 sub-industry groups, as per [MSCI and Standard & Poor's Global Industry Classification Standard](#).

- **Sustainability:** Experience in sustainability, especially in key material environmental, social, and governance (ESG) trends (including climate change, employee health and safety, human rights, and diversity and inclusion aspects), along with material impacts, risks and opportunities for the organisation that relate to ESG.
- **Risk management:** Experience at executive and/or board level in risk management.
- **ICT & cybersecurity:** Experience of enterprise-wide information technology systems, client-based digital infrastructures, data analytics, privacy, and cybersecurity strategy and policies.
- **Governance⁽⁵⁾:** Understanding of board duties and responsibilities and of leading cooperative, regulatory, and/or governance principles and practices, including subsidiary governance, gained as the senior executive and/or board member of an organisation with solid cooperative and/or corporate governance practices.
- **Financial:** Experience in managing the financial activities of a public, private, and/or non-profit organisation or cooperative.

Based on the skills and professional experience of the Company's Directors, the Board believes it collectively possesses the experience and expertise required for Iveco Group's sectors of operation, products, and geographic presence. This includes the Board's ability to effectively oversee the Company's management team, which is in charge of the governance processes, controls, and procedures used to assess, monitor, manage, and oversee impacts, risks, and opportunities from an operational and technical perspective.

The Board of Directors has collective responsibility for the strategy, management, supervision, and continuity of the Company. Among other things, it oversees the development of Iveco Group's mission and vision, as well as its culture, strategies, policies, and goals regarding economic, environmental, social, and governance topics. The Board has **three committees**, each composed of Non-Executive Directors, to assist in fulfilling its duties: the Audit Committee, the ESG Committee, and the Human Capital & Compensation Committee. Both directly and through its Committees, the Board discusses strategic, industrial, and technological scenarios. It oversees the risk management process. It approves annual budgets and strategic plans and targets, and monitors their progress in terms of actual results and forecasts. Lastly, it supervises ongoing operations with a specific focus on major projects and transactions while continually reviewing the Company's innovation priorities over time.

For more information on the Board of Directors, see the 'Governance Statement' in this Annual Report.

Iveco Group has established an **organisational structure** to optimise the management of sustainability matters within the Organisation. The ultimate responsibility for sustainability matters lies with the Board and its ESG Committee (with the active support of the Audit Committee on sustainability reporting and on relevant internal controls and risk management systems). From an executive point of view, this responsibility falls under the Senior Leadership Team (SLT); from an operational one, under the Sustainability Department.

At **Board level**, according to its Charter, the ESG Committee⁽⁶⁾ is responsible, among other things, for assisting the Board in:

- overseeing the Company's ESG priorities, commitments, goals, risks, and opportunities, as well as their integration into the overall strategy and business model (including in terms of the materiality assessment), and with reference to the Company's entire value chain, in the pursuit of sustainable long-term value creation, taking into account the interests of the Company's diverse stakeholders
- overseeing the Company's stakeholder relations and dialogue on ESG and sustainability⁽⁷⁾ aspects, with consultation as deemed appropriate by the Committee
- overseeing ESG policies, programmes, and practices to advance the Company's business purpose, strategy, culture, values, and reputation
- monitoring the Company's ESG performance, providing guidance on key ESG matters, and reviewing the materiality assessment in preparation for sustainability reporting.

In 2025, the ESG Committee met 4 times.

According to its Charter, the Audit Committee⁽⁸⁾, on the other hand, advises and assists the Board with:

- overseeing the integrity and quality of the Company's financial and sustainability disclosures, as well as the relevant reporting processes (including internal controls over financial and sustainability reporting)
- supervising the effectiveness of the design and operation of the Company's internal risk management and control system (including ICSR⁽⁹⁾ and risk management systems for sustainability reporting), in line with applicable rules, standards, and best practices
- managing and supervising the Company's relations with its independent auditors for financial and sustainability reporting, according to applicable rules, standards, and best practices.

In 2025, the Audit Committee met 5 times.

⁽⁵⁾ For the purposes of this section, Governance encompasses all aspects of Business Conduct.

⁽⁶⁾ [The Charter of the ESG Committee is available on the corporate website.](#)

⁽⁷⁾ ESG and sustainability aspects include climate-related and water security issues.

⁽⁸⁾ [The Charter of the Audit Committee is available on the corporate website.](#)

⁽⁹⁾ Internal Control over Sustainability Reporting (ICSR).

A list of the impacts, risks, and opportunities associated with the material sustainability matters identified by the Group was submitted by the Sustainability Manager to the ESG Committee, approved by the latter, and shared with the Audit Committee. As per the standard yearly schedule, the ESG Committee is updated quarterly on material sustainability matters, which enables it to oversee the Organisation's sustainability activities and progress against set targets, using appropriate metrics and focusing on key processes and actions.

At senior executive level, the Senior Leadership Team (SLT) is an operational body of Iveco Group responsible for reviewing the operating performance of the Company's business areas. It is involved in decision-making on certain operational matters, and oversees the quality and execution of the Company's strategy on impacts, risks, and opportunities. The SLT reports to and advises the Board of Directors on key matters (including sustainability), with the Board remaining accountable for the decisions of the SLT itself as the Board has ultimate responsibility for the Company's direction, management, supervision, and reporting. The SLT operates under the supervision of the Non-Executive Directors, providing them, through the CEO and its other members, with all the information they require to fulfil their responsibilities.

As at 31 December 2025, the SLT had 13 members (excluding the CEO) and its composition was as follows:

- gender: 9 males (representing 69% of the total) and 4 females (representing 31% of the total)
- age group: 5 members were in the 30-50 age group (38%), 8 members were in the over-50 age group (62%), and no member was under 30 years of age.

The SLT members are provided with regular updates on Iveco Group's sustainability performance, with a continuous focus on shared priorities and targets. The SLT is specifically responsible for:

- defining the sustainability strategy
- aligning the sustainability strategy with business needs, adopting a medium- to long-term perspective
- updating the Company's sustainability targets annually, and reviewing them mid-year.

The Chief Global Affairs & Sustainability Officer, a member of the SLT, is in charge of providing performance updates to the SLT and generally attends all ESG Committee meetings, as well as Audit Committee meetings whenever sustainability topics are on the agenda.

At operational level, the Sustainability Department oversees two main areas: the sustainability strategy and sustainability initiatives. Among other things, it monitors external trends and incorporates them into Iveco Group activities in line with stakeholder requirements, it proposes projects involving the Company and/or the community, and promotes the adoption of good practices to encourage their integration into Company processes. From an operational perspective, it is tasked with: conducting the materiality assessment and stakeholder engagement processes; managing all sustainability planning and reporting aspects; completing questionnaires required by sustainability rating agencies; and managing initiatives that support the development of local communities. Additionally, the Sustainability Department is responsible for:

- promoting a culture of sustainability throughout the Company, engaging all levels of the organisation
- promoting the integration of sustainability into day-to-day activities, implementing the relevant strategies
- facilitating continuous improvement by supporting corporate functions in carrying out sustainability actions
- strengthening relationships with stakeholders with regards to key sustainability matters
- interacting regularly with the executive teams and Board of Directors
- providing updates on sustainability performance
- establishing internal controls to ensure accuracy and reliability in the sustainability reporting process.

The Sustainability Department Manager provides technical support to both the ESG Committee and the Audit Committee.

Sustainability Representatives are appointed to represent the Group's operating areas and provide a direct link with the Sustainability Department, ensuring both technical and organisational support in dealing with sustainability matters. They are responsible for:

- ensuring the support and alignment required across the Group
- bringing expertise to specific issues relating to the Group's reporting process
- formulating proposals for continuous improvement.

1.3 SUSTAINABILITY-DRIVEN INCENTIVE SCHEMES (GOV-3)

Iveco Group offers both long- and short-term incentive plans linked, among other things, to some of its strategic sustainability targets.

The Long-Term Incentive Plan (LTIP) consists of two components: Company performance awards (i.e., Performance Share Units or PSUs) and retention-based awards (i.e., Restricted Share Units or RSUs), both in recognition of favourable individual performances and alignment with Company values. The Company performance component is linked to achieving challenging predefined performance and market objectives over a 3-year period. For Executive Directors, only PSUs are awarded.

In 2025, in keeping with the previous year, the compensation plan for Executive Directors (the Chairperson and CEO) included long-term incentives linked to the Company's strategic sustainability **target** of reducing its CO₂ emissions (measured as the percentage reduction in Scope 1 and Scope 2 CO₂eq emissions within the Focus Area reporting scope⁽¹⁰⁾) compared to the 2019 base year. As a result, the 2023-2025 LTI PSU awards are contingent, among other things, on a 22% reduction in CO₂ emissions by 2025, the 2024-2026 LTI PSU awards are contingent on a 28% reduction by 2026, and the 2025-2027 LTI PSU awards are contingent on a 33% reduction by 2027. With a 20% weighting towards overall individual awards, these incentives provide a significant inducement to align with the Strategic Business Plan's carbon footprint commitment.

As part of the Company's effort to drive sustainable, long-term value creation, the LTIP also applies to Senior Leadership Team (SLT) members and to certain individuals below senior management, namely directors, vice presidents, and other key positions.

For more information on remuneration components, see the 'Remuneration Report' in this Annual Report.

1.4 STATEMENT ON DUE DILIGENCE (GOV-4)

Iveco Group places particular emphasis on conducting due diligence within its value chain, recognising the crucial role it plays in Group operations. Due diligence is an ongoing practice that responds to and may trigger changes in the Organisation's strategy, business model, activities, business relationships, and operating, sourcing, and selling contexts. The actions described in the sections referenced in the following table are the starting point for Iveco Group's structured due diligence approach to sustainability.

Core Elements of Due Diligence	Sections in the Sustainability Statement
Embedding due diligence in governance, strategy, and business model	1.6 Strategy, Business Model, and Value Chain 1.8 Integrating Material Impacts, Risks, and Opportunities into the Strategy and Business Model
Engaging with affected stakeholders in all key steps of the due diligence process	1.7 Stakeholder Viewpoint and Interests
Identifying and assessing adverse impacts	1.9 Identifying and Assessing Material Impacts, Risks, and Opportunities
Taking actions to address those adverse impacts	3.4 Climate Actions and Targets 4.3 Air Pollution Actions and Resources 5.3 Water Actions and Resources 6.3 Resource Inflow 6.4 Resource Outflow 7.14 Human and Labour Rights Management 11.3 Business Conduct and Corporate Culture
Tracking the effectiveness of these efforts and communicating	3.5 Climate Metrics 4.5 Air Pollution 5.5 Water Consumption 6.3 Resource Inflow 6.4 Resource Outflow

1.5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING (GOV-5)

In 2024, Iveco Group launched an initiative to enhance its internal control system for sustainability reporting, focusing on both design and operating effectiveness. The internal control system consists of policies, procedures, organisational structures, and a corporate culture that promotes sustainable management, in line with strategic guidelines and corporate objectives, enabling the identification, evaluation, and mitigation of risks that could impact the achievement of such objectives. The internal control system was implemented based on the supplemental guidance entitled 'Achieving Effective Internal Control over Sustainability Reporting (ICSR)' issued by COSO⁽¹¹⁾ on 31 March 2023, recognised as the benchmark for effective ESG reporting control systems.

The aforementioned document provides guidance on applying the 5 components (Control Environment, Risk Assessment, Control Activities, Information and Communication, Monitoring Activities) and the 17 principles of COSO's Internal Control - Integrated Framework (also known as ICIF-2013), designed to support the development of an effective and integrated control system for sustainability reporting. Building on this framework, Iveco Group leveraged synergies between its sustainability and financial reporting processes and controls to design and implement its own integrated and comprehensive internal control system.

To map the relevant processes and controls, Iveco Group initially focused on a subset of KPIs identified as most relevant based on the results of the Scoping phase described below, with plans to expand the number of KPIs as implementation progresses.

In 2025, Iveco Group advanced this work as part of a multi-year project to continuously enhance its internal control system over sustainability reporting (ICSR), supported by the growing awareness and active involvement of the business functions that contribute to sustainability reporting. The year's project activities focused mainly on the process mapping and control design assessment related to an additional sub-set of relevant KPIs based on the results of the Scoping phase.

⁽¹⁰⁾ For the definition of the Focus Area reporting scope, see 1.1 General Basis for the Preparation of the Sustainability Statement.

⁽¹¹⁾ Committee of Sponsoring Organizations of the Treadway Commission.

The Group's ICSR process includes the following key phases:

- **Governance:** involving the definition of the ICSR governance model in terms of roles and responsibilities, reporting structures, and mechanisms for coordinating between the Sustainability Department and other functions involved in the sustainability reporting process.
- **Scoping:** starting from the list of European Sustainability Reporting Standards (ESRS) data points to be disclosed by Iveco Group, and based on the results of the double materiality assessment, the Organisation developed an ad hoc methodology to implement an internal control approach tailored to the different levels of relevance of the data identified for disclosure. The levels of relevance were determined by assessing each KPI (each representing a grouping of ESRS data points within Iveco Group's scope) against qualitative and quantitative criteria (i.e., complexity, ownership, Group strategy, requirements of rating agencies and of the S&P CSA⁽¹²⁾, management incentives, reputational impact, management evaluations), and by evaluating the contribution of countries, legal entities or plants to each KPI. Using this methodology, all KPIs in scope were grouped into three clusters of relevance, each requiring a distinct internal control model approach (refer to the Process and Control Documentation phase below). In 2025, the second year of implementation, the scoping perimeter remained focused on quantitative data, with plans to address qualitative data points in the final implementation stage, after 2027.
- **Risk Analysis:** involving the identification of risks in sustainability reporting by analysing relevant data and information and by identifying factors that may hinder the achievement of the 'Qualitative characteristics of information' outlined in ESRS 1 - Appendix B. The latter requires the information presented by Iveco Group in its Sustainability Statement to be relevant, faithfully represented, comparable, verifiable, and understandable. The sustainability reporting risk assessment allows to identify and assess sustainability risks at the assertion level, as well as the entity-level controls (ELCs) needed to effectively mitigate them. The main risks are described below:
 - inaccurate or incomplete data: the risk that the data reported in the Sustainability Statement is inaccurate or incomplete is mitigated through process controls over data calculation and collection. These controls are embedded in the end-to-end KPI development process⁽¹³⁾, as well as in data consolidation and reporting
 - data not compliant with applicable regulations: the risk that the data reported in the Sustainability Statement is not in line with applicable regulations is mitigated through central controls implemented by the Sustainability Department. These controls ensure that both the ESG reporting perimeter and the double materiality assessment are duly validated, that the methodological rules for KPI calculations are reviewed annually, and that the Sustainability Statement's contents are thoroughly checked to ensure alignment with ESRS requirements.
- **Process and Control Documentation:** this phase involves identifying key processes based on the Scoping and Risk Analysis performed, as well as the relevant controls within each process to effectively mitigate the identified risks. These controls are documented in a structured and detailed manner, ensuring they can be assessed effectively to verify whether their design is appropriate for achieving their intended objectives. A Control Model was developed to establish suitable controls for different categories of KPIs, based on the cluster they were assigned to in the Scoping phase:
 - entity-level controls (ELCs) – these are company-wide internal controls designed to mitigate risks across the entire Organisation and that, as such, have a pervasive impact on Iveco Group's overall system of internal controls. ELCs, which include the policies, procedures, and activities that underpin the Group's comprehensive framework for an effective internal control system, are evaluated according to the COSO ICSR guidance
 - process-level controls (PLCs) – these controls cover the end-to-end KPI development process⁽¹⁴⁾. They are established for the most relevant KPIs and apply to individual processes, functions, plants, entities, etc. Depending on the relevance of the KPI in question, determined in the Scoping phase, PLCs may focus on the full end-to-end KPI development process⁽¹⁵⁾ or on its 'closing' activities (i.e., the final stage of the development process related to data aggregation and KPI calculation).

Following the process mapping and control design assessment activities carried out during the Process and Control Documentation phase for the first subset of relevant KPIs – focused on the environmental and social dimensions and analysed during the first implementation stage (2024) – improvement areas were identified to strengthen the control structure. Management defined specific action plans to address these areas and further enhance the effectiveness of the internal control system. During the second year of implementation (2025), this cycle was repeated for a further subset of the most relevant KPIs, covering the environmental, social, and governance dimensions, in line with the implementation roadmap.

- **Monitoring:** this phase involves assessing ELCs, PLCs, and IT general controls (ITGCs) for both design and operating effectiveness. It includes testing controls, identifying deficiencies, highlighting improvement areas, and defining the necessary corrective actions. To enhance integration and synergy, the monitoring approach leverages key elements of the Group's Internal Control over Financial Reporting (ICFR) model. The controls mapped during the Process and Control Documentation phase are tested according to a risk-based prioritisation plan. In 2025, these activities focused on testing the operating effectiveness of the controls identified in the first year of implementation, taking into account the progress made in implementing the corresponding action plans.
- **Evaluation & Reporting:** this phase involves assessing the monitoring results and analysing deficiencies, the latter classified in line with the ICFR framework, to ensure consistent and comparable evaluations while enabling the integrated assessment of financial and non-financial reporting controls.

⁽¹²⁾ Corporate Sustainability Assessment by S&P Global.

⁽¹³⁾ The KPI development process encompasses data generation, aggregation, KPI calculation, and validation.

⁽¹⁴⁾ The KPI development process encompasses data generation, aggregation, KPI calculation, and validation.

⁽¹⁵⁾ The KPI development process encompasses data generation, aggregation, KPI calculation, and validation.

Iveco Group's ICSR Framework was presented to the Senior Leadership Team (SLT), Audit Committee, and ESG Committee, which are also periodically updated on the progress of its implementation.

The ICSR implementation roadmap, originally planned in 3 stages over the 2024–2026 period, has been expanded to 4. As a result, completion of the process mapping, control design, and effectiveness assessment activities related to quantitative data points is now expected in 2027, followed by a further implementation stage which will focus on the analysis of qualitative data points and the design of ITGCs to ensure the proper functioning of the IT systems supporting the PLCs.

1.6 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN (SBM-1)

Iveco Group is the holding company of a leading global capital goods group engaged in the design, production, marketing, sale, servicing, and financing of trucks, commercial vehicles, buses, and specialty vehicles for defence and other uses; combustion engines, alternative propulsion systems, transmissions, and axles for those vehicles; and engines and alternative propulsion systems for agricultural and construction equipment and for marine and power generation applications. The Group has manufacturing, commercial, and financial services companies in 33 countries and a commercial presence in 155 countries.

As at 31 December 2025, Iveco Group had the following **operating business units**:

- **Truck** designs, manufactures and distributes a full range of light, medium, and heavy vehicles for the transportation and distribution of goods under the IVECO brand;
- **Bus** designs, manufactures and distributes minibuses, city-buses, intercity buses and coaches under the IVECO BUS and HEULIEZ brands;
- **Powertrain** designs, manufactures and distributes, under the FPT Industrial brand, a range of combustion engines, alternative propulsion systems, transmission systems and axles for on- and off-road applications, as well as for marine and power generation; and
- **Financial Services** offers a range of financial products and services to dealers and customers. Financial Services provides and administers retail financing to customers for the purchase or lease of new and used vehicles sold by brand dealers and distributors of the Group or directly by subsidiaries of the Group. In addition, Financial Services provides wholesale financing to brand dealers and distributors of the Group. Wholesale financing consists primarily of floor plan financing and allows the dealers to purchase and maintain a representative inventory of products. Financial Services also provides discounting of non-dealer trade receivables from legal entities of the Group. Additionally, Financial Services grants support to CNH Group (CNH), by providing financial services for its European brands, dealers and customers under a vendor and service agreement, receiving a fee for the services rendered.

Furthermore, at 31 December 2025, Iveco Group still controls Defence business which designs, manufactures and distributes vehicles for civil defense and civil protection under the IDV brand, and vocational heavy-duty trucks for heavy haulage and off-road missions under the ASTRA brand. Defence business is classified as Discontinued Operations in this Annual Report, as described in the section "Result of Operations".

With regard to the **workforce**, attracting, retaining, and further developing qualified employees is critical to the success of Iveco Group's businesses and its ability to create long-term value. The labour-intensive nature of the Group's operations is reflected in the large number of hourly employees within the Organisation.

Employees by Region

(number)

	2025	2024
Europe	30,360	30,968
South America	4,062	4,010
North America	75	77
Rest of World	956	991
Total	35,453	36,046

For financial information on revenues, see the 'Operating and Financial Review' section in this Annual Report; the business unit revenues reported are attributable to the following ESRS-defined sectors:

Iveco Group Business Units	Main ESRS sector
Truck, Bus, Defence, Powertrain	C.29.10
Financial Services	C.64.99

Iveco Group does not operate in the fossil fuel, chemical production, controversial weapons, or tobacco cultivation industries.

Business Model

It is the Group's mission to put sustainability at the heart of its strategy, making it an integral part of day-to-day activities to ensure business is conducted in an economically sound, environmentally friendly, and socially beneficial way. By fully integrating environmental and social considerations with economic objectives, the Organisation is able to identify potential risks and seize additional development opportunities, fostering a process of continuous – and above all, sustainable – improvement that creates long-term value. In line with this commitment, the Group is a participant in the UN Global Compact and, as a Signatory, joins thousands of other companies worldwide committed to taking responsible business action. In 2022, every employee was involved in defining the Group's Purpose and the 5 corporate Values that truly reflect the way Iveco Group wants to do business. The Purpose and Values are applied daily and to all aspects of business, supported by:

- a system of principles, rules, and procedures in which roles and responsibilities are clearly defined

- a process that anticipates and manages current and future economic, environmental, and social risks and opportunities
- a set of strategic business and sustainability priorities that help steer everyone's efforts.

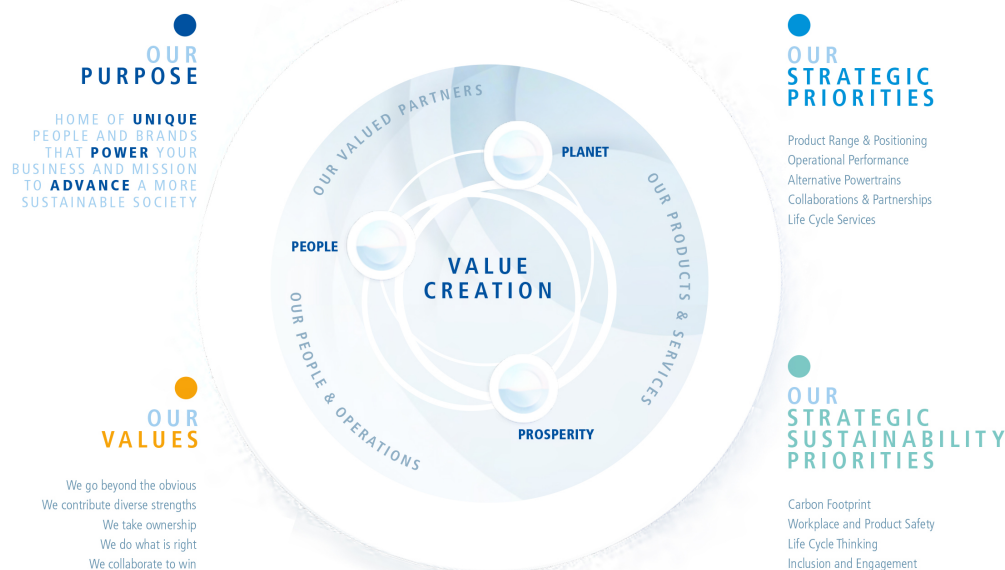
Iveco Group believes that innovation and the design of products and services tailored to customers' needs are essential to its competitive advantage and integral to all activities and processes involved in value creation. It is what enables the Organisation to compete effectively with other market players and be recognised by customers as a true partner. The main objective of Iveco Group's business is to create value for stakeholders, which are classified according to the pillars identified by the World Economic Forum (WEF):

- planet – this pillar represents a commitment to not underestimate the threats facing the Earth. Building a safer and more sustainable world requires the right balance between humanity and the environment, and pursuing the necessary targets can no longer be delayed
- people – this pillar represents a commitment to consider the diverse perspectives of those impacted by the Organisation's business, while actively encouraging their participation in driving positive change
- prosperity – this pillar represents a commitment to ensure greater prosperity for all, through the adoption of new technologies and the transition towards a more inclusive and increasingly digital society.

The key elements of Iveco Group's value chain can be summarised as follows:

- Our People & Operations: representing the skilled individuals who contribute their expertise and dedication to developing products and services across all Group areas, supported by production processes that are efficient, technologically innovative, and environmentally friendly
- Our Products & Services: representing the Group's product and service offering, designed to provide customers with lower operating and maintenance costs, superior performance, maximum profitability, lower total costs of ownership (TCO), and technological innovation
- Our Valued Partners: representing those who make up Iveco Group's ecosystem (mainly the dealerships, service network, and suppliers), who share a mutual understanding and collaborate with the Organisation to map out and navigate the challenges of its current transition. These partnerships enable Iveco Group to operate efficiently and deliver the highest value to its ultimate and most valued partners – its customers.

Our Business Model



Believing that long-term success is achieved by pairing innovation with resource efficiency, and financial prosperity with ESG performance, Iveco Group's **organisational model** was designed to strengthen:

- the entrepreneurial agility of its business units
- the focus on new technologies and digital solutions
- customer centricity
- clear accountability
- synergies between business units to achieve global consistency

- the Group's efficiency and effectiveness
- Corporate Governance.

Iveco Group's **value chain** is made up of:

- suppliers and sub-suppliers – which provide the raw materials and components required to manufacture the Group's products
- employees – who work across Group headquarters, plants, dealerships, and sales and distribution channels
- distribution networks – which sell the Group's products while providing relevant services
- customers – who purchase the Group's products
- end users – who operate the Group's products.

The Sustainability Plan

The Sustainability Plan reflects the commitment of Iveco Group's people to contributing to the Organisation's growth in harmony with society and the planet; its measurable and substantiated targets serve as clear and unequivocal pledges by the Group to its stakeholders.

The targets included in the Sustainability Plan are developed and set by the relevant Group functions in collaboration with other departments based on their areas of expertise, and are further shaped by the insights gathered from affected stakeholders through continuous engagement, dialogue, and feedback, with final approval from senior management. This ongoing exchange helps identify key focus areas and ensures target alignment with Group priorities. The responsibility for managing and achieving these targets lies with specific designated functions. Progress on targets is regularly disclosed through public reporting. Some of the targets indicated in the Plan are also included as individual goals in the Performance Development Process (PDP) for several managers, including plant managers, responsible for the projects that contribute to their achievement.

The Plan also includes **strategic sustainability targets**, which are an integral part of Iveco Group's Strategic Business Plan. All targets within the Sustainability Plan are:

- consistent with the 4 priorities⁽¹⁶⁾ that underpin Iveco Group's sustainability strategy
- specific, measurable, achievable, relevant, and time-bound (SMART)
- contributing to the achievement of some of the UN Sustainable Development Goals (SDGs)
- established by the Group's corporate functions with the assistance of the Sustainability Department
- approved by the Senior Leadership Team (SLT).

The Plan is updated annually and reviewed mid-year by the SLT and by the ESG Committee of the Board of Directors.

The Sustainability Plan

ESRS	Targets	2025 Results	Achievement at 31 December 2025
E1	2040: net zero carbon emissions	<ul style="list-style-type: none"> ▪ Progress towards CO₂ emissions reduction targets (Scope 1, 2, and 3) in line with plan 	Target in line with plan
E1	2030: -50% vs 2019 in absolute CO ₂ emissions (Scope 1 & 2) at manufacturing plants (Focus Area)	<ul style="list-style-type: none"> ▪ -29.6% vs 2019 in absolute CO₂ emissions 	Target in line with plan
E1	2026: 100% of total electricity consumption derived from renewable sources at manufacturing plants (Focus Area)	<ul style="list-style-type: none"> ▪ 100% of total electricity consumption derived from renewable sources 	Target exceeded
E1	2030: -30% vs 2019 in energy consumption per production unit ^(a) at manufacturing plants (Focus Area)	<ul style="list-style-type: none"> ▪ -22.9% vs 2019 in energy consumption per production unit^(a) 	Target in line with plan
E1	2030: -38% vs 2022 in Scope 3 CO ₂ emissions from the use of sold products ^(b) per vehicle/km	<ul style="list-style-type: none"> ▪ -9.1% vs 2022 in Scope 3 CO₂ emissions from the use of sold products per vehicle/km 	Target in line with plan
E1	2026: -7% vs 2022 in kg of CO ₂ emissions per ton of goods shipped	<ul style="list-style-type: none"> ▪ -6% vs 2022 in kg of CO₂ emissions per ton of goods shipped 	Target in line with plan
E1	2030: -30% vs 2022 in absolute CO ₂ emissions generated by major suppliers of purchased goods, services, and capital goods	<ul style="list-style-type: none"> ▪ Activities on schedule 	Target in line with plan
E2	2026: -14% vs 2019 in VOC emissions per square metre painted at manufacturing plants (Focus Area)	<ul style="list-style-type: none"> ▪ -32.8% vs 2019 in VOC emissions per square metre painted 	Target exceeded
E3	2026: 75% of industrial water recycled at manufacturing plants (Focus Area)	<ul style="list-style-type: none"> ▪ 76.9% of industrial water recycled 	Target exceeded
E3	2026: -15% vs 2019 in water withdrawal per production unit ^(a) at manufacturing plants (Focus Area)	<ul style="list-style-type: none"> ▪ -17.3% vs 2019 in water withdrawal per production unit^(a) 	Target exceeded

⁽¹⁶⁾ Carbon footprint; life cycle thinking; workplace and product safety; inclusion and engagement.

ESRS	Targets	2025 Results	Achievement at 31 December 2025
E3	2026: -10% vs 2019 in water withdrawal per production unit ^(a) at the plant in Brescia (Italy)	▪ -10.9% vs 2019 in water withdrawal per production unit ^(a) achieved at the plant in Brescia (Italy)	Target exceeded
E3	2026: -5% vs 2019 in water withdrawal per production unit ^(a) at the Powertrain plant in Foggia (Italy)	▪ +18.7% vs 2019 in water withdrawal per production unit ^(a) achieved at the Powertrain plant in Foggia (Italy)	Target in line with plan
E3	2026: -22% vs 2019 in water withdrawal per production unit ^(a) at the plant in Madrid (Spain)	▪ -58.3% vs 2019 in water withdrawal per production unit ^(a) achieved at the plant in Madrid (Spain)	Target exceeded
E3	2026: -10% vs 2019 in water withdrawal per production unit ^(a) at the plant in Valladolid (Spain)	▪ +4.6% vs 2019 in water withdrawal per production unit ^(a) achieved at the plant in Valladolid (Spain)	Target in line with plan
E5	2026: 100% of new products developed using sustainability/recyclability design criteria	▪ New design criteria applied to a heavy-duty vehicle (Model Year 2028) and new gen bus projects	Target in line with plan
E5	2026: 97.1% of waste recovered at manufacturing plants (Focus Area)	▪ 97% of waste recovered	Target in line with plan
E5	2026: -7% vs 2019 in waste generated per production unit ^(a) at manufacturing plants (Focus Area)	▪ -21.7% vs 2019 in waste generated per production unit ^(a)	Target exceeded
E5	2026: -6% vs 2019 in hazardous waste generated per production unit ^(a) at manufacturing plants (Focus Area)	▪ -31.8% vs 2019 in hazardous waste generated per production unit ^(a)	Target exceeded
S1	2026: -40% vs 2019 in injury frequency rate	▪ -51% vs 2019 in injury frequency rate	Target exceeded
S1	2026: maintain gender pay equity across the Organisation and have it certified by a third party	▪ EDGE certification maintained	Target in line with plan
S1	2028: 30% of office positions held by female office workers	▪ 28.1% of office positions held by female workers	Target in line with plan
S1	2027: completion of human rights assessments cycle (2025-2027 period), to monitor 100% of employees working in internal operations	▪ First phase of the 3-year human rights assessment cycle completed, covering to date more than 70% of employees working in internal operations	Target in line with plan
S2	2026: collaborations with 100% of key partners to improve the working conditions and work-life balance of drivers	▪ 100% of key partners involved in initiatives to improve the working conditions and work-life balance of drivers	Target exceeded
S2	2026: 100% of dealership staff involved in safety training on Iveco Group's electric product portfolio	▪ 96.1% of dealership staff involved in safety training on the Group's electric product portfolio	Target in line with plan
S2 G1	2025: execution of 80 supplier sustainability audits	▪ 80 supplier sustainability audits carried out	Target in line with plan
S2 G1	2026: execution of 80 supplier sustainability audits		New target
S2 G1	2026: 100% ^(c) of Tier 1 suppliers to be involved in sustainability assessment	▪ 92% of Tier 1 suppliers involved in sustainability assessment through the Open-es platform	Target in line with plan
S3	2026: +50% vs 2019 in number of students involved in education activities, focusing on the jobs of the future	▪ +53% vs 2019 in number of students involved in education activities	Target exceeded
S4	2026: 100% of new vehicles in Europe equipped with advanced driver assistance systems (ADAS) and additional advanced functions, such as adaptive cruise control (ACC), ACC Stop & Go, corrective steering function (CSF), and lane centring (LC)	▪ Ongoing development of new functions and technologies to expand the portfolio of advanced solutions	Target in line with plan
S4	2026: +25% vs 2021 in Net Promoter Score (NPS) for IVECO Trucks	▪ +6.5% vs 2021 in the NPS for IVECO Trucks	Target in line with plan
G1	2026: +100% vs 2021 in number of collaboration projects with suppliers to improve products' sustainability performance	▪ +100% vs 2021 in number of collaboration projects with suppliers to improve products' sustainability performance	Target exceeded
—	2030: 100% recovery of the cores of spare parts sold ^(d)	▪ 74.7% of recoverable cores from spare parts sold returned to the Group	Target in line with plan
—	2026: 15% of net sales from spare parts generated by remanufactured components	▪ 9% of net sales from spare parts generated by remanufactured components	Target in line with plan

^(a) The production unit corresponds to the hour of production. Total manufacturing hours are used to calculate the normalised production unit indicator.

^(b) The target refers to vehicles manufactured in Europe.

^(c) Target progress is calculated as a percentage of Iveco Group's annual purchase value (APV) relating to Tier 1 suppliers for each of which the Group's annual spend exceeds €500,000.

^(d) Target scope limited to complete engines, excluding smaller components.

1.7 STAKEHOLDER VIEWPOINT AND INTERESTS (SBM-2)

Stakeholders present a wide range of differing interests, so establishing and maintaining stable and lasting relationships with them is crucial for creating shared value over the long term.

Through an internal assessment performed by the corporate functions that manage stakeholder relations on a daily basis, the Group has identified and focused on several key stakeholders to better understand their specific needs and priorities; this enables the Organisation to address issues before they become critical, and to fine-tune its responses according to their interests.

Stakeholder categories	Corporate functions
<ul style="list-style-type: none"> ▪ Employees ▪ Employees' Families ▪ Other Workers ▪ Trade Unions & Employee Representatives 	Human Resources, Communications, Business Units, Manufacturing
<ul style="list-style-type: none"> ▪ Customers 	Business Units, Financial Services, Communications
<ul style="list-style-type: none"> ▪ Dealer and Service Network 	Business Units, Financial Services, Communications
<ul style="list-style-type: none"> ▪ Suppliers & Business Partners 	Supply Chain, Communications
<ul style="list-style-type: none"> ▪ Financial Community (Shareholders, traditional and ESG Investors) 	Finance, Global Affairs & Sustainability, Communications
<ul style="list-style-type: none"> ▪ Public Institutions^(a) 	Global Affairs & Sustainability
<ul style="list-style-type: none"> ▪ Scientific and Technological Research Centres and Universities 	Business Units, Technology & Digital, Human Resources
<ul style="list-style-type: none"> ▪ Local Communities^(b) 	Global Affairs & Sustainability, Legal, Compliance & Corporate Governance, Manufacturing
<ul style="list-style-type: none"> ▪ Environment 	Manufacturing, Global Affairs & Sustainability, Business Units, Technology & Digital
<ul style="list-style-type: none"> ▪ Next Generations 	All Corporate functions

^(a) Governments, local authorities, public-sector agencies, regulatory bodies, international institutions, trade associations, and non-governmental organisations.

^(b) Religious, cultural, and socio-political associations; health systems; schools and universities; non-governmental and non-profit organisations.

The Group promotes ongoing communication and active engagement with its stakeholders worldwide, interacting with them proactively throughout the year via dedicated functions. This approach is structured around 4 levels of engagement, as described below.

Engagement level	Engagement methods
Inform (one-way communication: Iveco Group to stakeholders)	<ul style="list-style-type: none"> ▪ media ▪ publications, reports, corporate website, press, and social/digital media ▪ official public events/activities and speeches ▪ advocacy
Listen (one-way communication: stakeholders to Iveco Group)	<ul style="list-style-type: none"> ▪ media ▪ interviews and meetings ▪ investor relationships ▪ conference calls
Involve	<ul style="list-style-type: none"> ▪ materiality assessment ▪ dedicated web portals ▪ multi-stakeholder forums ▪ shared projects ▪ workshops ▪ collective bargaining ▪ Compliance Helpline
Collaborate	<ul style="list-style-type: none"> ▪ partnerships ▪ open innovation ▪ joint projects ▪ shared decision-making processes

In 2025, Iveco Group continued to strengthen its engagement with stakeholders through a wide range of initiatives aimed at promoting dialogue and transparency.

For employees, key activities included *Sustainability Day*, which provided an opportunity to present the Group's sustainability projects and progress on the four sustainability priorities through contributions from colleagues from around the world. Additional initiatives included *Volunteering Days*, enabling employees to deliver social impact in local communities, and the continuation of the *Voice* programme, further reinforcing a culture of participation and accountability. Meanwhile, more than 140 hourly employees, selected as a representative sample, took part in focus groups conducted at various plants to evaluate the quality and effectiveness of internal communication projects, processes, and tools, and to identify opportunities for improvement.

Engagement with international organisations and public institutions remained a key priority. In this context, the Group continued its involvement in the UN Global Compact, contributing to discussions on the digital transition and supporting efforts to advance responsible sourcing practices across the supply chain.

Dialogue with customers and suppliers was further strengthened through dedicated initiatives, most notably the *50xBeyond* event in Turin (Italy) and other celebrations held worldwide for IVECO Brand's 50th anniversary. These events featured a series of meetings with key clients and supply chain partners, providing an important platform for exchanging perspectives on innovation, energy efficiency, sustainability performance, and long-term business expectations, and for supporting alignment around shared objectives.

Several cross-sector priorities emerged across all stakeholder groups. Human rights due diligence was a central theme, particularly for customers and suppliers, reflecting increasing expectations for transparency and responsible business conduct throughout the value chain. Climate-related matters also remained critical, with regulators and the financial community continuing to focus on the Group's CO₂ reduction pathway, seeking clarity on its long-term decarbonisation strategy, technological investments, and alignment with evolving regulatory frameworks.

Overall, stakeholder feedback in 2025 reaffirmed the crucial importance of climate change mitigation, responsible supply chain management, and the protection of human rights. These issues remain at the core of the Group's sustainability strategy, driving the transition to low-carbon transport, strengthening partnerships with stakeholders, and generating positive environmental and social value for the communities in which the Organisation operates.

Iveco Group has adopted a Stakeholder Dialogue Policy on Sustainable Strategy⁽¹⁷⁾ to guide its interactions with relevant stakeholders on the sustainability aspects of its strategy. These exchanges are seen as opportunities for mutual growth and improvement, and the reason behind the Organisation's efforts to build cooperation and trust through receptiveness and active engagement.

These interactions are generally led by Iveco Group management representatives, although, in certain cases, Executive Directors or the Chair of the ESG Committee may engage directly with qualified stakeholders.

1.8 INTEGRATING MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES INTO THE STRATEGY AND BUSINESS MODEL (SBM-3)

Understanding the context in which Iveco Group operates is the first step in its materiality assessment. This involves a preliminary mapping of the Group's activities and value chain, so as to identify and define the key stages and business relationships where impacts, risks, and opportunities related to sustainability may arise. Iveco Group has been conducting materiality assessments since 2013, initially as part of the former Group⁽¹⁸⁾ and then as an independent entity as of 2022. Material sustainability matters determine Iveco Group's priorities, shaping its sustainability strategy and targets, as well as the contents it includes in the Sustainability Statement. By defining and fine-tuning such priorities, the Organisation is able to ensure better alignment with its core business.

Drawing on the materiality assessment, Iveco Group's sustainability strategy is built on 4 sustainability priorities deemed strategic:

- **carbon footprint:** to reduce CO₂ emissions from manufacturing processes, the product range, and along the entire value chain (supply and logistics), aiming for net zero carbon emissions by 2040
- **life cycle thinking:** to implement efficient solutions to minimise the impact of products and processes through a circular life cycle approach
- **workplace and product safety:** to minimise the risk of workplace injuries through effective preventive and protective measures, and to ensure Group products meet the highest safety standards
- **inclusion and engagement:** to build ever-stronger relationships with stakeholders, while proactively and effectively fostering an inclusive work environment.

To strengthen its efforts towards a sustainable future, Iveco Group has mapped out the path to achieving these 4 strategic priorities by setting clear objectives, with specific reference to its people, direct operations, products and services, and valued partners. These targets are included in the Strategic Business Plan, with progress regularly reported to both the ESG Committee and the Senior Leadership Team (SLT). They are also incorporated into the Group's Sustainability Plan, which encompasses both long- and short-term targets and reflects a commitment to grow in harmony with people and the environment. Clear responsibilities are assigned for each target to ensure they are consistently monitored and achieved. Mindful that its strategic sustainability targets can contribute to achieving the UN's Sustainable Development Goals (SDGs), Iveco Group has also developed a process to identify the SDGs most relevant to its business and that it is best equipped to support.

The sustainability matters identified in the 2025 materiality assessment reflect the industry's priorities in terms of social and environmental impacts, and are consistent with the Group's strategic approach to addressing risks and opportunities. Similar to the previous year, mitigating *Climate change* remains a critical priority for Iveco Group due to the impacts of operations, the supply chain, and, most notably, product use, and to the regulatory risks associated with vehicle emissions standards. Respect for *Working conditions and human rights across the value chain* was confirmed as highly material due to the implications of sourcing key raw materials from critical supply chains. Furthermore, impacts related to *Product quality and safety* and *Dealer and customer management* remain material to the Organisation. It should be noted that, compared to 2024, a new impact related to the sustainability matter *Working conditions and human rights of own workforce* emerged as material – specifically the potential impact on employee privacy in the event of data leakage. At year-end 2025, no sustainability-related material risks or opportunities were identified as posing a significant risk of requiring a material adjustment to the carrying amounts of assets and liabilities in the following annual reporting period.

⁽¹⁷⁾ [The Stakeholder Dialogue Policy on Sustainable Strategy is available on the corporate website.](#)

⁽¹⁸⁾ Iveco Group was established on 1 January 2022, following the execution of the deed of demerger from CNH Industrial.

1.9 IDENTIFYING AND ASSESSING MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES (IRO-1)

In 2025, the approach used by Iveco Group in its materiality assessment was in line with the Corporate Sustainability Reporting Directive (CSRD) framework, as outlined in the European Sustainability Reporting Standards (ESRS) and EFRAG⁽¹⁹⁾ guidelines. This assessment has entailed a double materiality approach, which focuses on two distinct perspectives: **impact materiality**, which concerns the Group's impacts (whether positive or negative, actual or potential) over the short, medium, and long term, including those generated across its entire value chain; and **financial materiality**, which concerns the sustainability risks and opportunities that may affect Iveco Group's growth, positioning, and performance over the short, medium, and long term. During the assessment of risks and opportunities, the Group also duly considered those arising from external impacts and dependencies. The process of identifying the Group's material impacts, risks, and opportunities for the 2025 reporting period is described below.

Step 1: Analysis and understanding of the organisational and business context

A preliminary mapping was performed of the Group's activities and value chain, to identify and define the main operational areas and business relationships that could give rise to material impacts, risks, or opportunities related to sustainability matters.

After a comprehensive overview, potentially material matters were identified based on the ESRS list of topics, sub-topics, and sub-sub-topics⁽²⁰⁾, alongside an analysis of the Strategic Business Plan, Sustainability Plan targets, industry sustainability matters, and the requirements of key sustainability reporting standards. This first stage produced a list of possible sustainability matters material to Iveco Group, combining both ESRS topics and entity-specific aspects to provide a broad view of the Group's potential impacts, risks, and opportunities.

Step 2: Identification of impacts, risks, and opportunities related to sustainability matters

Identifying impacts, risks, and opportunities entailed two distinct yet parallel and interconnected processes:

- identification of impacts: drawing on the aforementioned context analysis and other public sources – such as the ENCORE⁽²¹⁾ platform – the Group identified its actual and potential impacts on people and the environment, both positive and negative, arising directly or indirectly from its business operations and relationships. These impacts were then aligned to the ESRS list of topics, sub-topics, and sub-sub-topics, supplemented with entity-specific aspects, and adjusted to the appropriate level of granularity for Iveco Group. A time horizon was also defined for each impact, as well as the stage within the value chain at which they may occur, with country- and site-specific details where necessary
- identification of risks and opportunities: based on the context analyses performed, and after assessing any dependency on environmental and/or social resources, the Group's Enterprise Risk Management (ERM) function completed a list of risks identified during its risk assessment process. As part of this ongoing framework, the Group has identified potential opportunities, with the most significant ones relating to climate matters. ESG-related opportunities will be progressively assessed and quantified, as part of the ongoing integration between the double materiality and risk analysis processes.

Step 3: Assessment of the significance of impacts, risks, and opportunities related to sustainability matters

The impacts and risks identified were assessed through the lens of impact materiality (inside-out perspective) and financial materiality (outside-in perspective), respectively.

- The significance of impacts – whether actual or potential, positive or negative – on people and the environment in the short, medium, and long term was assessed through dedicated workshops involving the relevant corporate functions. The metrics used were in line with the ESRS and included parameters such as Scale, Scope, Irremediable Character (for negative impacts only), and Likelihood (for potential impacts only)
- The significance of risks was assessed based on input from Risk Owners during the risk assessment process, using the ERM system's Severity and Likelihood parameters. The levels of risk were classified on a scale from 1 (Minor) to 4 (Very Significant or Critical), based on both qualitative and quantitative criteria. In the context of the process, and specifically in the area of climate matters, a list of opportunities has also been evaluated.

In addition to internal functions, Step 3 also involved key external stakeholders – suppliers, dealers, local communities, and members of public institutions – consulted via ad hoc interviews or online forms to review and validate the findings of the Group's impact assessment process. The sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment; nevertheless, the Group is committed to addressing all relevant matters that come to its attention.

Step 4: Definition and prioritisation of the material impacts, risks, and opportunities related to sustainability matters

The combination of internal and external stakeholder assessments resulted in an official list of material sustainability matters and respective impacts, risks, and opportunities, which was validated by the Senior Leadership Team (SLT) and subsequently approved by the ESG Committee of the Board of Directors. The findings of the double materiality assessment were also used to shape the contents of this Sustainability Statement.

The double materiality assessment is an ongoing process that may be impacted in time by developments in stakeholder expectations, regulatory developments, changes in risk management or new business developments.

⁽¹⁹⁾ IG1: Materiality Assessment Implementation Guidance.

⁽²⁰⁾ See ESRS 1, Appendix A.

⁽²¹⁾ [Exploring Natural Capital Opportunities, Risks, and Exposure.](#)

Iveco Group's Material Sustainability Matters and Significant Impacts, Risks, and Opportunities

SUSTAINABILITY MATTER	IMPACT MATERIALITY					FINANCIAL MATERIALITY	
	Description of Impact	Nature of Impact	Type of Effect	Time Horizon	Source of Impact	Description of Risk/Opportunity	Time Horizon
Climate change due to own operations	The greenhouse gas emissions (Scope 1 & 2) generated by Iveco Group's own operations contribute to climate change	Negative	Actual	Short-term	Own operations	<p>1. Risk: Difficulties in optimising the mix of renewable and alternative energy sources in the regions where the Group operates could lead to higher energy costs</p>	1. Medium-term
	The greenhouse gas emissions generated by the use of sold vehicles contribute to climate change	Negative	Actual	Short-term	Downstream value chain		<p>1. Risk: Market dynamics may be affected by the shift towards electric vehicles (EV) and the decline in internal combustion engines (ICEs), causing uncertainty over adoption due to regulatory misalignment, incentives, and infrastructure gaps. Failure to comply with emissions regulations may lead to penalties and reputational damage</p> <p>2. Opportunity: Electrification, which requires expanded offerings and new business models to meet demand, could drive market consolidation. The success of new products/services aligned with evolving customer behaviour may generate financial benefits from the growing demand for high-margin EV products and streamlined offerings</p> <p>3. Opportunity: A regulatory shift supporting the adoption of carbon-neutral fuels through a well-to-wheel approach may extend the viability of internal combustion engines</p>
Climate change due to vehicles	The launch of new electric vehicles, as well as the use of alternative fuels and propulsions (e.g., natural gas, biomethane, hydrogen, and electric and hybrid engines) capable of reducing emissions during vehicle use, contribute to tackling climate change	Positive	Potential	Medium-term	Own operations	<p>—</p>	
	The greenhouse gas emissions generated by Iveco Group's supply chain contribute to climate change (e.g., inbound and outbound logistics flows)	Negative	Actual	Short-term	Upstream value chain		
Pollution	Air pollutants from manufacturing processes – including volatile organic compounds (VOCs), especially from painting, nitrogen oxides (NO _x), sulphur oxides (SO _x), and inorganic particulate matter (PM) – represent a threat to human health and the environment	Negative	Actual	Short-term	Own operations	<p>1. Risk: Failure to comply with relevant regulations on air pollutants (e.g., NO_x)</p>	1. Short-term
	Air pollutants from the use phase of vehicles – including NO _x and PM – represent a threat to human health and the environment	Negative	Actual	Short-term	Downstream value chain		
Water	The use of water in Iveco Group's production processes, especially in water-stressed areas, contributes to the depletion of natural resources	Negative	Actual	Short-term	Own operations	<p>—</p>	
	The use of water in Iveco Group's supply chain, especially in water-stressed areas, contributes to the depletion of natural resources	Negative	Potential	Short-term	Upstream value chain		
Circular economy	The use of products made of virgin materials (e.g., steel, aluminium) following a linear product design contributes to the depletion of natural resources	Negative	Actual	Short-term	Own operations and upstream value chain	<p>1. Risk: Increasingly stringent environmental requirements may shorten product life cycles, affecting revenues generated by a product and the amortisation of R&D investments</p>	1. Medium-term
	The production of waste in Iveco Group's operations represents a threat to human health and the environment	Negative	Actual	Short-term	Own operations		

SUSTAINABILITY MATTER	IMPACT MATERIALITY					FINANCIAL MATERIALITY	
	Description of Impact	Nature of Impact	Type of Effect	Time Horizon	Source of Impact	Description of Risk/Opportunity	Time Horizon
Working conditions and human rights of own workforce	The incorrect application of labour laws and regulations and/or the inadequate management of labour relations undermines Iveco Group's ability to respond to employees' needs, ensure favourable working conditions (i.e., secure employment, working time, adequate wages, social dialogue, freedom of association, collective bargaining), and enhance workforce wellbeing and satisfaction	Negative	Potential	Short-term	Own operations	1. Risk: Serious injuries to employees (including long-term disabilities and fatalities) caused by work-related accidents could lead to legal and regulatory consequences and/or reputational damage 2. Risk: Growing investment in health and safety may be needed to ensure legal compliance and to protect people and assets from climate-related events 3. Risk: Health emergencies may disrupt supply chains, workforce availability, and business operations, posing a risk to business continuity	1. Short-, medium-, and long-term 2. Medium- and long-term 3. Short-, medium-, and long-term
	Failure to comply with safety standards causes critical incidents, injuries, and work-related ill health involving Iveco Group employees	Negative	Potential	Short-term	Own operations		
	The violation of fundamental labour rights (e.g., child labour, forced labour) jeopardises employee access to basic life necessities and freedoms (e.g., education, livelihood)	Negative	Potential	Short-term	Own operations		
	The leakage of personal, confidential and/or sensitive information compromises employee privacy	Negative	Potential	Short-term	Own operations		
Wellbeing, inclusion, and development of own workforce	The offering of awareness and upskilling programmes contributes to employees' professional growth and career development	Positive	Potential	Short-term	Own operations	1. Risk: Keeping pace with new technical skills required for the transition to low-carbon vehicles may prove difficult while managing the workforce during this transition	1. Long-term
	The offering of appropriate welfare and wellbeing programmes contributes to employee work-life balance and satisfaction	Positive	Actual	Short-term	Own operations		
	Discrimination and harassment in the workplace, including unfair recruiting and compensation practices, affect employees, especially those who may be particularly vulnerable and/or marginalised (e.g., women, migrants, people with disabilities)	Negative	Potential	Short-term	Own operations		
	The development of an inclusive working environment where people are treated equally improves work-life quality, and makes employees feel valued and free to fulfil their professional potential	Positive	Actual	Short-term	Own operations		

SUSTAINABILITY MATTER	IMPACT MATERIALITY					FINANCIAL MATERIALITY	
	Description of Impact	Nature of Impact	Type of Effect	Time Horizon	Source of Impact	Description of Risk/Opportunity	Time Horizon
Workers in the value chain	An ineffective supplier selection and monitoring system jeopardises satisfactory working conditions (i.e., secure employment, working time, adequate wages, social dialogue, freedom of association, collective bargaining, work-life balance), affecting workers in the supply chain	Negative	Potential	Short-term	Upstream value chain	—	
	An ineffective supplier selection and monitoring system leads to human rights violations (e.g., child labour, forced labour), affecting workers in the supply chain	Negative	Potential	Short-term	Upstream value chain		
	Inadequate engagement with Iveco Group's suppliers leads to failure to comply with safety standards, causing critical incidents and injuries involving workers in the supply chain	Negative	Potential	Short-term	Upstream value chain		
	Engagement activities and training programmes involving workers in the supply chain contribute to the development of specific competencies, and enhance people engagement and satisfaction	Positive	Actual	Short-term	Upstream value chain		
	Engagement activities and training programmes involving workers in the downstream value chain contribute to the development of specific competencies, and enhance people engagement and satisfaction	Positive	Actual	Short-term	Downstream value chain		
Local communities	The promotion of community engagement initiatives supports the development of, and value creation for, local communities	Positive	Actual	Short-term	Own operations	—	
Product quality, safety, and accessibility	Non-compliance with product health, safety, and quality requirements impacts drivers and passengers	Negative	Potential	Short-term	Own operations	—	
Dealer and customer management	Developing and maintaining strong relations with dealers and customers contributes to improving their satisfaction levels	Positive	Actual	Medium-term	Own operations	1. Risk: Challenges in evolving the business into a provider of transport solutions could affect the ability to meet customer demands	1. Long-term
Digitalisation and connectivity	The digitalisation and connectivity of Iveco Group's products contribute to enhancing the customer experience, improving satisfaction and safety on the road	Positive	Actual	Medium-term	Own operations	—	
Business conduct	The development of a corporate culture based on principles of ethics and integrity contributes to improving employees' sense of purpose and motivation	Positive	Actual	Medium-term	Own operations	1. Risk: Failure to comply with corporate law and other applicable regulations may result in legal, financial, or reputational consequences	1. Short-term
Sustainable supply chain	An ongoing dialogue with suppliers and the dissemination of sustainability principles contribute to improving the supply chain's ESG performance, thus reducing negative environmental and social impacts	Positive	Potential	Medium-term	Own operations	—	
	The inadequate management of supplier relationships, especially with regard to payment practices, affects suppliers' business performance, welfare, and growth	Negative	Potential	Short-term	Own operations		

Double Materiality Assessment Results

MATERIAL SUSTAINABILITY MATTERS AND RELATED ESRS BY TYPE OF IMPACT



1.10 ESRS DISCLOSURES COVERED BY THE SUSTAINABILITY STATEMENT (IRO-2)

ESRS 2 - GENERAL DISCLOSURE	
Disclosure requirement	Section
BP-1 – General basis for preparation of sustainability statements	1.1
BP-2 – Disclosures in relation to specific circumstances	1.1
GOV-1 – The role of the administrative, management and supervisory bodies	1.2
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	1.2
GOV-3 – Integration of sustainability-related performance in incentive schemes	1.3
GOV-4 – Statement on due diligence	1.4
GOV-5 – Risk management and internal controls over sustainability reporting	1.5
SBM-1 – Strategy, business model and value chain	1.6
SBM-2 – Interests and views of stakeholders	1.7
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	1.8
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	1.9
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	1.10

ESRS E1 - CLIMATE	
Disclosure requirement	Section
ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	1.3
E1-1 – Transition plan for climate change mitigation	3.1
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	1.8
ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	1.9; 3.2
E1-2 – Policies related to climate change mitigation and adaptation	3.3
E1-3 – Actions and resources in relation to climate change policies	3.4
E1-4 – Targets related to climate change mitigation and adaptation	3.4
E1-5 – Energy consumption and mix	3.5.1
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	3.5.2
E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	3.5.3
E1-8 – Internal carbon pricing	3.5.4
E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phased-in option applied

ESRS E2 - POLLUTION	
Disclosure requirement	Section
ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	1.9; 4.1
E2-1 – Policies related to pollution	4.2
E2-2 – Actions and resources related to pollution	4.3
E2-3 – Targets related to pollution	4.4
E2-4 – Pollution of air, water and soil	4.5
E2-5 – Substances of concern and substances of very high concern	n/a
E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities	Phased-in option applied

ESRS E3 - WATER AND MARINE RESOURCES

Disclosure requirement	Section
ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	1.9; 5.1
E3-1 – Policies related to water and marine resources	5.2
E3-2 – Actions and resources related to water and marine resources	5.3
E3-3 – Targets related to water and marine resources	5.4
E3-4 – Water consumption	5.5
E3-5 – Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Phased-in option applied

ESRS E5 - RESOURCE USE AND CIRCULAR ECONOMY

Disclosure requirement	Section
ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	1.9; 6.1
E5-1 – Policies related to resource use and circular economy	6.2
E5-2 – Actions and resources related to resource use and circular economy	6.3; 6.4
E5-3 – Targets related to resource use and circular economy	6.3; 6.4
E5-4 – Resource inflows	6.3
E5-5 – Resource outflows	6.4
E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phased-in option applied

ESRS S1 - OWN WORKFORCE

Disclosure requirement	Section
ESRS 2 SBM-2 – Interests and views of stakeholders	1.7; 7.1; 7.4; 7.5; 7.6
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	1.8; 7.1
S1-1 – Policies related to own workforce	7.2
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	7.4; 7.5; 7.6; 7.13.2; 7.13.3
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	7.3
S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	7.8; 7.9; 7.10; 7.10.3; 7.11; 7.12
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	7.8; 7.9.1; 7.10; 7.12.2
S1-6 – Characteristics of the undertaking's employees	7.7
S1-7 – Characteristics of non-employee workers in the undertaking's own workforce	7.7
S1-8 – Collective bargaining coverage and social dialogue	7.13; 7.13.4
S1-9 – Diversity metrics	7.8
S1-10 – Adequate wages	7.9.2
S1-11 – Social protection	7.9.3
S1-12 – Persons with disabilities	7.8
S1-13 – Training and skills development metrics	7.11.1; 7.11.3
S1-14 – Health and safety metrics	7.10.2; 7.10.4; 7.10.7
S1-15 – Work-life balance metrics	Phased-in option applied
S1-16 – Compensation metrics (pay gap and total compensation)	7.9.1
S1-17 – Incidents, complaints and severe human rights impacts	7.14

ESRS S2 - WORKERS IN THE VALUE CHAIN

Disclosure requirement	Section
ESRS 2 SBM-2 – Interests and views of stakeholders	1.7; 8.1
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	1.8; 8.1
S2-1 – Policies related to value chain workers	8.2
S2-2 – Processes for engaging with value chain workers about impacts	8.3
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	8.4
S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	8.5
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	8.6

ESRS S3 - AFFECTED COMMUNITIES

Disclosure requirement	Section
ESRS 2 SBM-2 – Interests and views of stakeholders	1.7; 9.1
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	1.8; 9.1
S3-1 – Policies related to affected communities	9.2
S3-2 – Processes for engaging with affected communities about impacts	9.2
S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns	9.3
S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	9.4
S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	9.5

ESRS S4 - CONSUMERS AND END-USERS

Disclosure requirement	Section
ESRS 2 SBM-2 – Interests and views of stakeholders	1.7; 10.1
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	1.8; 10.1
S4-1 – Policies related to consumers and end-users	10.2
S4-2 – Processes for engaging with consumers and end-users about impacts	10.3
S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	10.4
S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	10.4
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	10.5

ESRS G1 - BUSINESS CONDUCT

Disclosure requirement	Section
ESRS 2 GOV-1 – The role of the administrative, supervisory and management bodies	1.2
ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	1.9; 11.1
G1-1 – Business conduct policies and corporate culture	11.2; 11.3
G1-2 – Management of relationships with suppliers	11.7
G1-3 – Prevention and detection of corruption and bribery	11.4
G1-4 – Confirmed incidents of corruption or bribery	11.5
G1-5 – Political influence and lobbying activities	11.6
G1-6 – Payment practices	11.7

List of Data Points in Cross-Cutting and Topical Standards that Derive from other EU Legislation

Disclosure requirement and related data point	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Sustainability Statement section
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 ⁽⁵⁾ , Annex II		1.2
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		1.2
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				1.4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 ⁽⁶⁾ Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		n/a
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		n/a
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 ⁽⁷⁾ , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		n/a
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		n/a
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	3.1
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		n/a
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate Change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		3.4

Disclosure requirement and related data point	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Sustainability Statement section
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1				3.5.1
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				3.5.1
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				3.5.1
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Articles 5(1), 6 and 8(1)		3.5.2
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		3.5.2
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	3.5.3
ESRS E1-9 Exposure of the benchmark portfolio to climate related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		n/a
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			n/a
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			n/a

Disclosure requirement and related data point	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Sustainability Statement section
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		n/a
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				4.5.1
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				5.2.1
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 of Annex 1				5.2.1
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				n/a
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				5.5
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				5.5
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				n/a
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				n/a
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				n/a
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				n/a
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				n/a
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				n/a
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				6.4.1
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				6.4.1
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				7.1
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				7.1
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				7.2.1

Disclosure requirement and related data point	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Sustainability Statement section
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		7.2.1
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				7.2.1
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				7.2.2
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				7.3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		7.10.4
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				7.10.4
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		7.9.1
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				7.9.1
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				7.14.2
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12 (1)		7.14.1
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				8.1
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				8.2
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				8.2
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		8.2
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		8.2
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				8.5
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 Indicator number 11 Table #1 of Annex 1				9.2
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or/and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		9.2

Disclosure requirement and related data point	SFDR ⁽¹⁾ reference	Pillar 3 ⁽²⁾ reference	Benchmark Regulation ⁽³⁾ reference	EU Climate Law ⁽⁴⁾ reference	Sustainability Statement section
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				9.4
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				10.2
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		n/a
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				n/a
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				11.2
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				11.2.4
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		11.5
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				11.5

⁽¹⁾ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

⁽²⁾ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation or CRR) (OJ L 176, 27.6.2013, p. 1).

⁽³⁾ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

⁽⁴⁾ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

⁽⁵⁾ Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social, and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

⁽⁶⁾ Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social, and governance risks (OJ L 324, 19.12.2022, p.1.).

⁽⁷⁾ Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

2. EU TAXONOMY ON SUSTAINABLE ACTIVITIES

In June 2020, the European Commission adopted Regulation (EU) 2020/852 (the EU Taxonomy Regulation), establishing a unified EU classification system for environmentally sustainable economic activities. This classification system (the EU Taxonomy) helps companies identify and direct investments towards economic activities considered to have the potential to be environmentally sustainable, thereby supporting the European Green Deal objectives and the EU's transition to net zero carbon emissions by 2050.

The EU Taxonomy Regulation stipulates that an economic activity can be considered as sustainable only if it substantially contributes to one or more of the following 6 environmental objectives:

- climate change mitigation (CCM)
- climate change adaptation (CCA)
- sustainable use and protection of water and marine resources (WTR)
- transition to a circular economy (CE)
- pollution prevention and control (PPC)
- protection and restoration of biodiversity and ecosystems (BIO).

In 2021, the European Commission adopted the Climate Delegated Act⁽²²⁾, which establishes the Technical Screening Criteria (TSC) for determining the conditions under which specific economic activities qualify as taxonomy-aligned, i.e., as contributing substantially to the climate change mitigation and climate change adaptation objectives, while ensuring that such activities do not cause significant harm (DNSH) to any of the other environmental objectives.

In 2023, the European Commission further expanded the Taxonomy framework with the adoption of:

- the Delegated Act 2023/2485 (June 2023), which amended the aforementioned Climate Delegated Act by introducing additional activities and TSC for determining the conditions under which certain economic activities qualify as substantially contributing to the 2 climate objectives (CCM and CCA)
- the Environmental Delegated Act⁽²³⁾ (November 2023), which defines, in Annexes I, II, III and IV, the economic activities associated with the remaining 4 environmental objectives – WTR, CE, PPC, and BIO – and the corresponding TSC. In addition, Annex V amends Delegated Regulation (EU) 2021/2178 (also known as the Disclosure Delegated Act), by including changes to the templates to be used for KPI reporting.

In accordance with the EU Taxonomy Regulation, an economic activity⁽²⁴⁾ is considered taxonomy-eligible if it is listed in one or more of the Delegated Regulations (Climate Delegated Act, Complementary Climate Delegated Act, Environmental Delegated Act, and Delegated Act 2023/2485) of the Regulation itself, therefore contributing to at least one of the 6 environmental objectives.

A taxonomy-eligible activity can also be considered taxonomy-aligned if the following conditions are met:

- it complies with a set of TSC, established by the European Commission in accordance with articles 10(3), 11(3), 12(2), 13(2), 14(2) or 15(2), that define the conditions under which the activity:
 - substantially contributes to one or more of the 6 environmental objectives of the Taxonomy Regulation
 - does not cause significant harm to any of the environmental objectives (Do No Significant Harm – DNSH)
- it complies with the Regulation's Minimum Safeguards (MS), which ensure that the activity is socially sustainable by respecting human rights and complying with international standards.

Article 8 of the Taxonomy Regulation requires non-financial undertakings to disclose quantitative information on the proportion of: (i) turnover derived from products and services, (ii) capital expenditure (CapEx) and (iii) operating expenditure (OpEx) related to assets and processes that are associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9.

For the reporting period of reference (Financial Year 2025), the Group elected to apply the simplifications introduced by the Commission Delegated Regulation (EU) 2026/73 of 4 July 2025⁽²⁵⁾ (the 'revised EU Taxonomy Delegated Act'), which amends the previously adopted Delegated Regulations⁽²⁶⁾.

⁽²²⁾ Delegated Regulation 2021/2139.

⁽²³⁾ Delegated Regulation 2023/2486.

⁽²⁴⁾ Delegated Regulation 2022/1214, introducing economic activities specific to the energy sector, including nuclear and gas energy.

⁽²⁵⁾ Formally approved and published in the Official Journal of the European Union (OJEU) on 8 January 2025.

⁽²⁶⁾ Commission Delegated Regulations (EU) 2021/2178, (EU) 2021/2139, and (EU) 2023/2486.

2.1 ELIGIBILITY ASSESSMENT OF IVECO GROUP'S ECONOMIC ACTIVITIES

Iveco Group conducted an eligibility assessment of its core business activities and operations by comparing them against those listed in the aforementioned Delegated Regulations adopted under the EU Taxonomy Regulation. As a result of this assessment, the Group identified the following eligible revenue-generating activities: 3.3 Manufacture of low carbon technologies for transport; 3.18 Manufacture of automotive and mobility components; 5.4 Sale of second-hand goods; 6.3 Urban and suburban transport, road passenger transport; 6.5 Transport by motorbikes, passenger cars, and light commercial vehicles; and 6.6 Freight transport services by road.

In accordance with Commission Delegated Regulation (EU) 2026/73, the Group elected to apply the materiality option provided therein. Under this approach, taxonomy-eligible activities that cumulatively account for less than 10% of the KPIs (Turnover, CapEx and OpEx) may be excluded from further analysis. Accordingly, although formally eligible under the EU Taxonomy, activities 5.4, 6.3, 6.5, and 6.6 – cumulatively accounting for less than 10% of the Group's Turnover, CapEx and OpEx – were therefore excluded from the scope of the analysis. These activities are considered non material as they represent a marginal share of the Group's overall economic performance and investment and are not representative of the Group's core business model, which focuses primarily on the manufacturing of vehicles and powertrain technologies. In particular, these activities mainly relate to ancillary services, including the leasing of trucks and buses and the sale of pre-owned vehicles, and do not materially contribute to the Group's strategic objectives under the EU Taxonomy framework.

As a result, the taxonomy-eligible activities considered material for the purposes of the analysis are the following:

- **3.3 Manufacture of low carbon technologies for transport** (contributing only to the CCM objective since the activity is not enabling under the CCA objective), representing the majority of Iveco Group's core activities and operations. This activity includes the manufacturing, repair, maintenance, retrofitting, repurposing, and upgrading of low-carbon transport vehicles belonging to the Truck and Bus business units
- **3.18 Manufacture of automotive and mobility components** (contributing only to the CCM objective), which represents the Group's powertrain activities and operations, in accordance with Delegated Regulation 2023/2485. This activity includes the manufacturing, repair, maintenance, and upgrade of mobility components intended exclusively for vehicles and buses falling within categories M1, N1, N2, and N3, with a specific focus on ePowertrain components.

Furthermore, Iveco Group identified additional eligible activities with regard to CapEx (Annex 1 of Delegated Regulation (EU) 2021/2178, par. 1.1.2.2, point (c)) and OpEx (Annex 1 of Delegated Regulation (EU) 2021/2178, par. 1.1.3.2, point (c)), related to the purchase of output from taxonomy-eligible and taxonomy-aligned economic activities. These activities include: 1.2 Manufacture of electrical and electronic equipment; 6.5 Transport by motorbikes, passenger cars, and light commercial vehicles; 7.3 Installation, maintenance, and repair of energy efficiency equipment; 7.4 Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings); 7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling energy performance of buildings; 7.6 Installation, maintenance, and repair of renewable energy technologies; and 7.7 Acquisition and ownership of buildings.

Consistent with the approach outlined above, and with the application of the materiality option introduced by Commission Delegated Regulation (EU) 2026/73, these activities, cumulatively accounting for less than 10% of the relevant CapEx and OpEx KPIs, were therefore not reported in the EU Taxonomy KPIs.

The Group assessed the contribution of the identified taxonomy-eligible economic activities to each of the 6 environmental objectives set out in the EU Taxonomy Regulation. The analysis indicated that the climate change mitigation (CCM) objective is the most consistent with the Group's business model and operational activities.

2.2 ALIGNMENT ASSESSMENT OF IVECO GROUP'S ECONOMIC ACTIVITIES – SUBSTANTIAL CONTRIBUTION CRITERIA

Once an activity is classified as eligible, it must strictly comply with the relevant Technical Screening Criteria (TSC), thus identifying that it substantially contributes to the environmental objectives under which it is categorised. In line with the Taxonomy Regulation, the economic activities identified as eligible and considered material for the analysis were further assessed to evaluate their compliance with the Substantial Contribution Criteria (SCC) outlined in Annex I of the Climate Delegated Act and in the Environmental Delegated Act. This assessment was conducted to ascertain whether the identified activities met the Delegated Regulation requirements and to determine the corresponding proportions of Turnover, CapEx, and OpEx of said activities.

▪ 3.3 Manufacture of low carbon technologies for transport (CCM)

Iveco Group ensures compliance with EU Taxonomy criteria by focusing on vehicles with low or zero CO₂ emissions. For passenger transport, M2 and M3 vehicles meet the latest Euro VI standards, while light-duty vehicles in categories M1 and N1 comply with the requirement of emitting less than 50g CO₂/km. Similarly, heavy-duty vehicles in categories N1, N2, and N3 (over 7.5 tons) align with the zero- or low-emission specifications set by European regulations. As part of this assessment, Iveco Group deemed only electric and Euro VI vehicles to be aligned with the criteria, while CNG and LNG (methane-powered) vehicles were excluded as they did not meet the required emissions thresholds.

▪ 3.18 Manufacture of automotive and mobility components (CCM)

This economic activity was incorporated into the EU Taxonomy to ensure due recognition for components critical to reducing greenhouse gas emissions. Within this category, electrical components that are manufactured by Iveco Group's ePowertrain activities and supplied to third parties for fully electric vehicles are deemed to be aligned.

2.3 ALIGNMENT ASSESSMENT OF IVECO GROUP'S ECONOMIC ACTIVITIES – DO NO SIGNIFICANT HARM CRITERIA

After evaluating the economic activities against the Substantial Contribution Criteria (SCC), those deemed material for the reporting period were further analysed for compliance with the Do No Significant Harm (DNSH) criteria. Each DNSH technical criterion specified for the activity under assessment was addressed to ensure that, while contributing to a specific objective, the activity did not cause significant harm to any of the other environmental objectives.

As a result of the assessment conducted and detailed below, activities 3.3 Manufacture of low carbon technologies for transport and 3.18 Manufacture of automotive and mobility components were deemed aligned with the DNSH criteria.

Objective: Climate Change Adaptation (CCA)

For each plant where economic activities took place, Iveco Group conducted a climate risk and vulnerability assessment to identify relevant physical climate risks and the necessary adaptation measures to mitigate them. To evaluate potential impacts on production activities over the short, medium, and long term, the Group carried out a comprehensive climate risk analysis in line with Appendix A of Annex I of Delegated Regulation (EU) 2021/2139. Based on these findings, it will implement a 5-year adaptation plan to mitigate the most significant physical risks identified.

Objective: Sustainable Use and Protection of Water and Marine Resources (WTR)

For the activities relevant to this objective, the criteria require that environmental risks related to water quality and water stress are addressed through an adequate water use and protection management plan, developed in consultation with relevant stakeholders. Each year, the Group maps the plants located in water-stressed areas to ensure proper monitoring and management of water-related risks. Degradation risks related to water quality and water stress were identified and mitigated through Iveco Group's environmental management system, with the aim of optimising water status. The WRI⁽²⁷⁾ Aqueduct Water Risk Atlas was used to identify Group plants in water-stressed areas. As the assessment was conducted on the Group's main manufacturing sites, the criteria have been fulfilled. Meanwhile, the Group provides evidence of its water use by submitting a CDP Water questionnaire each year. In the last reporting year it obtained a score of A-.

Objective: Transition to a Circular Economy (CE)

To meet the DNSH criteria for this objective, activities 3.3 Manufacture of low carbon technologies for transport and 3.18 Manufacture of automotive and mobility components must focus on assessing and implementing sustainable manufacturing practices, specifically addressing the feasibility and adoption of techniques aimed at:

- reusing and incorporating secondary raw materials and components in manufacturing
- designing products that offer high durability and ease of recyclability, disassembly, and adaptability
- implementing waste management practices that prioritise recycling over disposal during the manufacturing process
- ensuring the provision of information and the traceability of substances of concern throughout the product life cycle.

⁽²⁷⁾ World Resources Institute.

The Group integrates circular economy principles through targeted initiatives. These include a remanufacturing programme aiming for 15% of net spare parts sales to be generated by remanufactured components by year-end 2026, and an Eco-Design working group driving sustainability and recyclability in new products. Manufacturing processes and waste management are continuously optimised, resulting in a waste recovery rate of over 97%. The Group is committed to replacing hazardous substances, particularly heavy metals in painting, and to promoting sustainable chemical use, ensuring compliance with REACH and RoHS regulations by closely monitoring supplier data (collected via the IMDS - International Material Data System) and through strict regulatory adherence. In addition, the Group's circular economy approach to batteries aligns with recent European regulations (Regulation (EU) 2023/1542). Moreover, Iveco Group is establishing country-by-country agreements with battery recyclers to implement end-of-life battery management solutions for electric vehicles. Finally, all Group plants are ISO 14001 certified, attesting to the proper management of material disposal, reuse and, recycling.

Objective: Pollution Prevention and Control (PPC)

The activities relevant to this objective – 3.3 Manufacture of low carbon technologies for transport and 3.18 Manufacture of automotive and mobility components – are subject to stringent substance and emission regulations that require the prevention of restricted substances in accordance with Appendix C to Annex I of Delegated Regulation (EU) 2021/2139, as amended by Commission Delegated Regulation (EU) 2026/73.

Compliance with other applicable regulations, including REACH and RoHS, is achieved by collecting supplier data via the International Material Data System (IMDS), verifying the absence of hazardous substances, and fulfilling all communication requirements.

Iveco Group fully adheres to points (a), (b), (c), (d), and (e) of the aforementioned Appendix C. As regards the latter's point (f), based on the Organisation's current understanding of the regulatory framework, it considers the authorisation process managed as per REACH or other sector-specific regulations (e.g., valid exemptions or derogations under RoHS and POPs) sufficient to achieve compliance.

Objective: Protection and Restoration of Biodiversity and Ecosystems (BIO)

To evaluate the impact of activities 3.3 Manufacture of low carbon technologies for transport and 3.18 Manufacture of automotive and mobility components on biodiversity and ecosystems, different methodologies are applied at manufacturing sites located near protected areas of particular environmental interest. Specifically, Iveco Group employs the Biodiversity Value Index (BVI) methodology, which provides an in-depth analysis of ecosystems within a 5-kilometre radius of these sites. This assessment determines biodiversity levels and identifies appropriate improvement measures.

Additionally, the Group integrates the Biodiversity Risk Evaluation (BRE) methodology, which assesses the impact of plant operations on biodiversity and natural resources, irrespective of their overall contribution to the surrounding ecosystem. The BRE assessment generates risk maps for each plant, indicating potential biodiversity risks. These maps guide the identification of standardised indicators and the implementation of targeted mitigation measures based on assigned risk scores.

For operations near biodiversity-sensitive areas, Iveco Group has performed appropriate assessments and implemented the necessary mitigation measures to minimise any adverse impacts on local ecosystems.

2.4 MINIMUM SAFEGUARDS ASSESSMENT

The EU Taxonomy Regulation, under Article 18, establishes the requirements for economic activities to be considered sustainable. Indeed, they must not only be environmentally sustainable by meeting the Taxonomy's Technical Screening Criteria (TSC), but also socially sustainable by adhering to minimum safeguards to ensure compliance with both human and labour rights. To this end, companies are required to conduct an analysis at both the corporate and activity levels to assess their alignment with internationally recognised guidelines on human rights and business ethics, covering issues such as, but not limited to, corruption, taxation, and other relevant matters.

Article 18 of the Regulation outlines the specific requirements for Minimum Safeguards, referencing key international standards for responsible business conduct. These include the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the eight fundamental conventions of the International Labour Organization (ILO), and the International Bill of Human Rights. The Regulation also aligns with the 'do no significant harm' (DNSH) principle as defined by Article 18 of the EU Sustainable Finance Disclosure Regulation (SFDR).

To ensure compliance with the Minimum Safeguards, Iveco Group has conducted a specific assessment of its activities. The Organisation demonstrates its commitment to human rights through its Code of Conduct, Supplier Code of Conduct, and Human Rights Policy. Additionally, it monitors human rights across its internal operations, supply chain, and customer base through dedicated processes. To guarantee full compliance with anti-corruption and bribery laws, the Group implements an Anti-Corruption Policy and specific procedures. Moreover, its tax risk management strategy focuses on minimising the risk of violating tax regulations, while ensuring operations align with the tax system's principles and objectives.

With regard to antitrust and competition management, Iveco Group recognises the critical importance of an open and competitive market, which is why it is fully committed to complying with all applicable competition and antitrust laws and to scrupulously refraining from business practices that may violate them (such as the establishment of cartels, price fixing, market divisions, production or sales limitations, tying arrangements, or the exchange of commercial information or business views).

The Group has a Competition Compliance Programme in place to promote compliance with competition and antitrust laws, raise awareness within the Organisation of competition law implications for its businesses, and help identify and minimise the risk of any violations. This programme includes a dedicated Competition Policy, overseen by the Legal, Compliance & Corporate Governance (LC&CG) Department and available on the corporate website.

The Competition Policy includes a set of relevant practical guidelines by subject matter, and applies to all directors, officers, and employees, as well as to those acting for or on behalf of all Iveco Group companies worldwide. It sets detailed and stringent rules to be observed when dealing with competitors, trade associations, suppliers, and customers, as well as rules for responding to competition authority investigations, emphasising the need for full cooperation in the event of antitrust or competition investigations or of any requests for information regarding alleged anti-competitive conduct. Iveco Group also has a specific organisational unit dedicated to antitrust and competition law.

The Group's online training on the Code of Conduct includes a module on Antitrust and Competition Law. Additionally, dedicated in-person training on antitrust and competition aspects is provided to Senior Leadership Team (SLT) members, while ad hoc in-person training initiatives are deployed in several jurisdictions to maintain a high level of understanding of the importance of competition law compliance, with training sessions and workshops tailored to the specific needs of the business units and markets involved. Each year, a number of jurisdictions are selected for targeted, business-specific training, complementing the general Antitrust and Competition Law course available online.

In terms of grievances, a Compliance Helpline is available to all Iveco Group employees, customers, suppliers, and third parties to report potential violations of applicable laws, corporate policies, or the Code of Conduct. The Organisation further safeguards consumer interests through its Code of Conduct and Supplier Code of Conduct, which emphasise fair competition and adherence to antitrust regulations.

Iveco Group employs a range of tools to ensure compliance, both internally and externally, with the Minimum Safeguards, supported by the comprehensive regulatory framework detailed in 11. Business Conduct.

In addition, the Group aligns with the 'do no significant harm' principle of the SFDR⁽²⁸⁾, under Article 2(17)⁽²⁹⁾, by addressing the gender pay gap and gender diversity within governance bodies and by reporting on the respective indicators in the Annual Report.

⁽²⁸⁾ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

⁽²⁹⁾ 2023/C 211/01 Communication, FAQ 2.

2.5 CALCULATION OF EU TAXONOMY-RELATED KPIS AND CONTEXTUAL INFORMATION

Accounting Policy

The annexes of the Commission Delegated Regulation (EU) 2021/2178 (hereafter referred to as the 'Disclosure Delegated Act') require companies to calculate the proportion of turnover, capital expenditure (CapEx), and operating expenditure (OpEx) associated with taxonomy-eligible and taxonomy-aligned activities. To meet this regulatory requirement, the Group identified its eligible activities, assessed which of these met the alignment criteria, and calculated the three KPIs as required by the Regulation.

The Group's EU Taxonomy reporting tables were updated in 2025 following the adoption of Commission Delegated Regulation (EU) 2026/73 (the 'revised EU Taxonomy Delegated Act'⁽³⁰⁾). In accordance with Article 8(3) of the Disclosure Delegated Act, comparative information (covering the 2024 Financial Year) has been disclosed in the tables at the end of the following 'EU Taxonomy-related KPIs and Contextual Information' section.

Taxonomy-eligible economic activities that were assessed as non-material – and therefore excluded from the scope of the alignment analysis – were nevertheless fully included in the denominator of each KPI (Turnover, CapEx, and OpEx), in line with the requirements of the Disclosure Delegated Act.

Iveco Group's Sustainability and Finance departments collaborated to identify the values needed to measure the KPIs to be reported. In line with the criteria outlined in Annex I of the Commission Delegated Regulation (EU) 2021/2178, these values were derived from balance sheet items, as described hereafter.

Numerators were calculated based solely on balance sheet items associated with the identified activities. The calculation of denominators, on the other hand, included all items specified by the regulations at the consolidated Iveco Group N.V. level, as detailed in the following 'EU Taxonomy-related KPIs and Contextual Information' section.

The turnover data was derived from the official consolidated financial statement, representing the total value of revenue from goods and services sold and invoiced during the reference period. To prevent double counting, all intercompany transactions were excluded from the revenue figures.

The CapEx was calculated based on additions to tangible and intangible assets, as well as long-term leases identified from company reports, serving as the foundation for any changes in asset disclosures.

To align with taxonomy criteria, the OpEx was calculated as the sum of operating expenses related to capital investment projects (by nature), costs associated with maintenance and cleaning (by destination), and short-term leases.

EU Taxonomy-related KPIs and Contextual Information

The proportion of turnover, CapEx, and OpEx associated with eligible and non-eligible economic activities is presented as an aggregate percentage for Iveco Group in each respective category.

Turnover KPI

The Turnover KPI was calculated as the net turnover derived from eligible products or services (numerator) divided by the total net turnover (denominator). In line with the Disclosure Delegated Act, Iveco Group used the following values to calculate the share of turnover:

- the denominator represents the Group's consolidated net turnover from industrial activities. Net turnover is defined as the revenue from the sale of products and provision of services, minus sales rebates and value-added taxes directly linked to turnover. Accordingly, the KPI denominator corresponds to the Annual Report's Note 1, line item 'Total Industrial Activities', equal to €13,129 million. In accordance with EU Communication C/2023/305 - FAQ 17, the turnover from discontinued operations is reported as a separate line item and, therefore, should not be included in the Taxonomy KPI
- the numerator is equal to the portion of net sales from trucks and buses (excluding used vehicles) and from powertrains. Revenues from the defence business were excluded as they could not be associated with any of the Taxonomy activities. For the level of eligibility and alignment, please refer to Table B.

CapEx KPI

In line with the Disclosure Delegated Act, Iveco Group used the following values to calculate the share of capital expenditures:

- the denominator represents the increases in Property, Plant, and Equipment (excluding assets sold under Buy-Back commitments) and Right-of-Use (RoU) Assets, as well as Intangible Assets (excluding goodwill), as reported respectively in Note 13 and 12 of the Annual Report. As required by the EU Taxonomy Regulation, the values considered correspond to the line items marked as 'Additions' in the relevant tables, thus excluding the effects of amortisation, depreciation, impairment losses, divestments, assets classified as held for sale, translation differences, and other adjustments. The consolidated value of the sum of tangibles, intangibles, and RoU assets related to Industrial Activities was equal to €805 million
- the numerator is equal to the portion of capital expenditures within the denominator attributable to the revenue-generating activities identified (CapEx A). For the level of eligibility and alignment, please refer to Table C.

⁽³⁰⁾ Commission Delegated Regulation (EU) 2026/73.

OpEx KPI

In line with the Disclosure Delegated Act, Iveco Group used the following values to calculate the share of operating expenditures:

- the denominator includes all direct non-capitalised costs related to maintenance, building renovation, research and development, short-term leases, and any other direct expenditures related to the day-to-day servicing of property, plant, and equipment assets
- the numerator is equal to the portion of direct non-capitalised costs within the denominator attributable to the revenue-generating activities identified (OpEx A). For the level of eligibility and alignment, please refer to Table D.

The reported values do not include any amounts related to Iveco Group's intercompany transactions associated with the economic activities assessed as part of the taxonomy analysis.

Furthermore, no CapEx or OpEx items relate to plans for expanding economic activities that are aligned with the Taxonomy Regulation.

The CapEx and OpEx values allocated to the numerators were calculated using the Tool Semplice (specific to the Initiatives Mngt system), aggregating data based on dedicated fields for tracking projects and on their purpose/objective.

The tables on the following pages contain information on the proportions of turnover, capital expenditure, and operating expenditure identified as eligible and aligned according to the European Taxonomy, as per the new templates included in Annex II of the Commission Delegated Regulation (EU) 2026/73 of 4 July 2025.

The proportions of turnover, CapEx, and OpEx identified as aligned increased by 6%, 5%, and 5%, respectively. This improvement was mainly driven by electric bus revenues, investments, and operating expenditures, which reflect the Group's continuous commitment to expanding its portfolio of renewable and low-emission mobility solutions.

Table A – Summary of Proportion of Turnover, CapEx, and OpEx from Products or Services Associated with Taxonomy-Eligible and/or Taxonomy-Aligned Economic Activities

Disclosure covering Financial Year 2025

KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy aligned activities	Proportion of Taxonomy-aligned activities	Breakdown by environmental objectives of Taxonomy-aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year (N-1)	Proportion of Taxonomy-aligned activities in previous financial year (N-1)
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity					
					€ million	%	€ million	%	%	%					
Turnover	13,129	57	2,193	17	17	—	—	—	—	—	17	—	3	1,714	11
CapEx	805	25	205	25	25	—	—	—	—	—	25	—	5	206	20
OpEx	421	27	77	18	18	—	—	—	—	—	18	—	1	69	13

Table B – Proportion of Turnover from Products or Services Associated with Taxonomy-Eligible and/or Taxonomy-Aligned Economic Activities

Disclosure covering Financial Year 2025

Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible Turnover)	Taxonomy-aligned KPI (monetary value of Turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned Turnover)	Environmental objectives of Taxonomy-aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
					%	€ million	%	%	%	%			
Manufacture of low carbon technologies for transport	CCM 3.3	57	2,193	17	17	—	—	—	—	—	E		29
Manufacture of automotive and mobility components	CCM 3.18	0.3	0.3	—	—	—	—	—	—	—	E		100
Sum of alignment per objective					17	—	—	—	—	—			
Total KPI (Turnover)		57	2,193	17	17	—	—	—	—	—			29

Table C – Proportion of CapEx from Products or Services Associated with Taxonomy-Eligible and/or Taxonomy-Aligned Economic Activities
Disclosure covering Financial Year 2025

Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible CapEx)	Taxonomy-aligned KPI (monetary value of CapEx)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned CapEx)	Environmental objectives of Taxonomy-aligned activities					Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution			
		%	€ million	%	%	%	%	%	%	%	%	
Manufacture of low carbon technologies for transport	CCM 3.3	24	193	24	24	—	—	—	—	—	E	100
Manufacture of automotive and mobility components	CCM 3.18	1.5	12	1.5	1.5	—	—	—	—	—	E	100
Sum of alignment per objective					25	—	—	—	—	—		
Total KPI (CapEx)		25	205	25	25	—	—	—	—	—		100

Table D – Proportion of OpEx from Products or Services Associated with Taxonomy-Eligible and/or Taxonomy-Aligned Economic Activities
Disclosure covering Financial Year 2025

Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible OpEx)	Taxonomy-aligned KPI (monetary value of OpEx)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned OpEx)	Environmental objectives of Taxonomy-aligned activities					Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution			
		%	€ million	%	%	%	%	%	%	%	%	
Manufacture of low carbon technologies for transport	CCM 3.3	24	65	15	15	—	—	—	—	—	E	65
Manufacture of automotive and mobility components	CCM 3.18	3	12	2.8	2.8	—	—	—	—	—	E	93
Sum of alignment per objective												
Total KPI (OpEx)		27	77	18	18	—	—	—	—	—		68

3. CLIMATE CHANGE (E1)

Iveco Group's materiality assessment identified *Climate change due to own operations*, *Climate change due to vehicles*, and *Climate change due to supply chain* as material sustainability matters, all linked to ESRS E1 and specifically to its sub-topics:

- 'Climate change adaptation'
- 'Climate change mitigation'
- 'Energy'.

The expected short-term impacts related to *Climate change due to own operations* were identified as negative and described by stakeholders as follows: "The greenhouse gas emissions (Scope 1 and 2) generated by Iveco Group's own operations contribute to climate change".

The expected short-term impacts related to *Climate change due to vehicles* were identified as negative and described by stakeholders as follows: "The greenhouse gas emissions generated by the use of sold vehicles contribute to climate change". The expected medium-term impacts, on the other hand, were identified as positive and described by stakeholders as follows: "The launch of new electric vehicles, as well as the use of alternative fuels and propulsions (e.g., natural gas, biomethane, hydrogen, and electric and hybrid engines) capable of reducing emissions during vehicle use, contribute to tackling climate change".

The expected short-term impacts related to *Climate change due to supply chain* were identified as negative and described by stakeholders as follows: "The greenhouse gas emissions generated by Iveco Group's supply chain contribute to climate change (e.g., inbound and outbound logistics flows)".

For more information, see 1.9 Identifying and Assessing Material Impacts, Risks, and Opportunities in this Sustainability Statement.

3.1 TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION (E1-1)

Conscious of the urgency of climate change challenges and of the major role that decarbonisation will play in the short term, Iveco Group has set itself the ambitious goal of achieving net zero carbon by 2040 – ten years ahead of the deadline set by the Paris Agreement – in accordance with The Climate Pledge signed by the Organisation⁽³¹⁾. To ensure the timely delivery of its decarbonisation strategy, the Group has set specific strategic sustainability **targets** for Scope 1, 2, and 3 emissions, to be achieved by year-end 2030, and incorporated them into its Strategic Business Plan:

- for Scope 1 and 2 emissions, Iveco Group is committed to reducing CO₂ emissions in its manufacturing processes by 50% (compared to the 2019 base year), by minimising fossil fuel use and increasing the use of renewable energy
- for Scope 3 emissions, the Group aims to reduce by 38% the Scope 3 CO₂ emissions from the use of sold products⁽³²⁾ per vehicle/km (compared to 2022).

The main actions to reach these targets are reported in 3.4 Climate Actions and Targets, including details of relevant investments. CapEx and OpEx related to economic activities identified as per the Taxonomy Regulation are reported in 2. EU Taxonomy on Sustainable Activities.

As regards the governance of Iveco Group's decarbonisation path, the ultimate responsibility for defining and implementing the decarbonisation strategy lies with the Board of Directors. The Board's ESG Committee is responsible, among other things, for assisting the Board itself in reviewing and guiding this strategy, as well as the risk management policies on climate change, and for monitoring the implementation of measures to meet climate change targets, such as those for CO₂ emissions and energy efficiency. In addition, the ESG Committee ensures responsible management of climate risks and identifies trends and opportunities, including the potential impacts of new products under development and of new market trends and conditions.

At management level, the ultimate responsibility for initiatives focusing on energy efficiency and on the management of CO₂ emissions lies with the Senior Leadership Team (SLT). The SLT members are responsible for defining the sustainability strategy and for integrating sustainability aspects into operating processes. To ensure focus and accountability, each business unit has full responsibility for the global growth and performance of its respective business.

At the operational level, for Scope 1 and 2 emissions, Iveco Group relies on a dedicated internal structure to manage energy resource conservation. Energy management activities are coordinated both centrally and at plant level by the Energy team, to ensure alignment and support across the Organisation.

For Scope 3 emissions, responsibilities are assigned to the respective departments based on their area of expertise.

Iveco Group continuously monitors the progress of its transition plan; below is a snapshot of the results achieved in 2025.

⁽³¹⁾ [The Climate Pledge signature.](#)

⁽³²⁾ The target refers to vehicles manufactured in Europe. Furthermore, it cannot be reported as an absolute value.

CO₂ Emissions Targets^(a)

Scope 1 & 2	Target	2025 Progress
Absolute CO ₂ emissions (Scope 1 & 2) from the manufacturing plants within the Focus Area ^(b) (tCO ₂ eq)	2030: -50% vs 2019	-29.6%
Scope 3		
Cat. 1 - Absolute CO ₂ emissions generated by major suppliers of purchased goods and services	2030: -30% vs 2022	Activities on schedule
Cat. 4 - CO ₂ emissions per ton of goods shipped (kgCO ₂ eq)	2026: -7% vs 2022	-6.0%
Cat. 11 - CO ₂ emissions from the use of sold products ^(c) (gCO ₂ eq per vehicle/km)	2030: -38% vs 2022	-9.1%

^(a) For the calculation methodology used, see 3.5 Climate Metrics.

^(b) For the definition of the Focus Area reporting scope, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(c) The target refers to vehicles manufactured in Europe.

With regard to locked-in emissions, these stem from a combination of past and present investments, strategic decisions, and infrastructure choices that could make the decarbonisation path more challenging. Internal combustion engine (ICE) vehicles already sold or in production will continue to generate CO₂ emissions throughout their lifespan, while existing factories and supplier agreements, designed around traditional ICE vehicle manufacturing, continue to rely on emissions-producing processes. Moreover, dependence on fossil fuel-powered logistics, energy-intensive manufacturing, and dealership networks centred on ICE vehicle sales further sustain these emissions, slowing down the pace of emission reductions. The gradual expansion of electric vehicle (EV) charging infrastructure, combined with the slow transition to renewable energy sources creates interlinked dynamics to overcome. The pace of change is also affected by government policies, market incentives, and consumer preferences, as significant investments in regions with lower EV adoption or with regulations favouring ICE vehicles could influence the transition's trajectory.

3.2 MANAGING CLIMATE RELATED RISKS AND OPPORTUNITIES (SBM-3, IRO-1)

At Iveco Group, climate risk management is integrated into a Group-wide interdisciplinary risk management process designed to identify and assess climate-related risks and opportunities, as well as the current and anticipated effects of climate change relevant to the Group's business model and value chain. This process encompasses direct operations, the supply chain (upstream), and products (downstream). Climate-related risks and opportunities span three time horizons, meaning they can be:

- short-term (0-1 years), as per climate change assessments of physical risks
- medium-term (1-6 years), as per the 2030 climate scenario (also incorporating the time horizons of the Group's Enterprise Risk Management (ERM) and Strategic Business Plan)
- long-term (6-16 years), as per the Group's 2040 net zero carbon strategies and targets, set in line with the Paris Agreement, and its aligned 2040 climate scenario.

The Group assesses the implications of climate-related risks and its own level of climate resilience and adaptability in line with the requirements of both the European Sustainability Reporting Standards (ESRS) and the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures. This assessment considers each of the following climate-related risk categories when identifying risks and opportunities and assessing their likelihood and potential magnitude of impact:

- current and emerging regulations
- technology risk
- policy and legal risks
- market risk
- reputational risk
- acute physical risk
- chronic physical risk
- liabilities.

3.2.1 Physical risks

The first step in Iveco Group's physical risk identification and assessment process consists in evaluating the relevance of all such risks for each site within the risk perimeter, through the analysis of climate zones and site-specific morphological features (such as altitude and proximity to rivers, coasts, or mountains). The Group evaluates its physical risk exposure by taking into account specific drivers for each physical event (which is also relevant when selecting suitable data sources).

For each physical risk driver, the analysis, evaluation, and selection of data tools are based on:

- data quality – in terms of terrain resolution (i.e., the level of spatial detail in elevation and topographic data), estimation accuracy (which depends on the geographical scale, colour mapping, numerical precision), and the transparency of the calculation process

- time flexibility – the availability of data across different time horizons and (ideally) its applicability to all project phases (thus enabling both short- and long-term analysis)
- accessibility – the availability of open-access tools that support the replication of analyses over time
- multiple applications – a tool's ability to assess multiple physical risks concurrently.

During the subsequent risk evaluation phase, these drivers are transposed onto a matrix and classified according to a 4-level scale (high, medium-high, medium-low, low) based on predefined impact thresholds specific to each physical risk event. This approach helps determine the economic impact of each risk event in terms of property damage (cash flow), business interruptions (EBIT), and other direct or indirect costs (beyond EBIT or cash flow). The net impacts of each physical risk are then quantified and recorded on the Enterprise Risk Management (ERM) impact scale, considering each plant's specific characteristics, any physical mitigators (such as the presence of mobile dams for river flooding), and insurance coverages. The results obtained are then submitted to and validated by the relevant stakeholders within Iveco Group associated with the selected sites.

Iveco Group performed a climate change risk analysis to assess potential changes in risk exposure over the short, medium, and long term (2025-2040), covering each physical risk pertinent to each site within its risk perimeter (including proprietary plants as well as a selection of key supplier and dealer of property sites). Site-specific exposure to individual physical risk events was assessed using outputs from climate-risk data tools and projections from the Intergovernmental Panel on Climate Change (IPCC), considering variables such as maximum precipitation levels, surface wind speed, maximum temperatures, and consecutive dry days as the main drivers of the assessment.

For the medium- and long-term analysis, the Group used the weather patterns associated with the IPCC's RCP⁽³³⁾ 8.5 scenario, which is based on various projections regarding emissions, policies, and rising temperature levels. This climate scenario, which was applied in conjunction with the Shared Socioeconomic Pathway (SSP5) scenario, assumes rapid global economic growth driven by fossil energy and limited climate policy implementation. Under this pathway, average global temperatures are projected to increase by approximately 2°C by 2050 and by up to 5°C by 2100 as a result of high greenhouse gas emissions. This combined RCP 8.5/SSP5 scenario represents one of the most severe global warming pathways and associated physical impacts, projecting extreme climate conditions and a significant increase in the frequency and intensity of extreme weather events, including heatwaves, floods, droughts, and rising sea levels. This scenario-based approach aligns with best practices in climate risk management and supports the Group's strategic resilience planning for physical risks under the worst-case scenario.

The physical climate risks assessment is performed with the support of the loss prevention engineering provider and of the technical departments of the insurance and reinsurance companies. The latest assessment of material physical climate risks covered 84% of the Group's insured value⁽³⁴⁾. Furthermore, new projects and initiatives are analysed from the earliest stages of development to ensure the highest level of prevention of and protection from material physical climate risks.

Based on the assessment, most of the aforementioned sites within the defined risk perimeter are located in areas not associated with particularly high levels of physical climate risk exposure. The main exception relates to heatwaves, which may affect all locations globally with increasing intensity. In addition, a limited number of sites are located in areas with higher exposure to specific physical risks – such as hailstorms (Italy, France, and Argentina), flash floods (Italy), and water stress (Italy and Spain). With regard to the suppliers within the scope of the analysis, their sites are mainly exposed to risk of hailstorms, flash floods, water stress, and heat and cold waves.

No matter how rare or unlikely to occur, extreme natural events will nevertheless continue to pose a risk to the Group due to the significant damage they can cause. Overall, the main potential impacts affecting the Group's plants are associated with river and flash floods, hurricanes, cyclones, tornados, windstorms, and hailstorms, all of which are considered material physical risks.

- **Floods:** the risk of flooding from overflowing rivers or heavy rainfall is considered relevant for many sites. Floods may result in water intrusion into buildings and sewer backups, potentially causing damage to structures, machinery, and stored products, disrupting production capacity until facilities are repaired, and leading to unforeseen maintenance costs.

Material risk for: Bolzano, Brescia, Foggia, Piacenza, Suzzara, and Turin (Italy); Bourbon-Lancy (France).

- **Hurricanes, cyclones, and tornadoes:** although the tornadoes to which the Organisation's assets are potentially exposed are mostly of medium intensity, these events may still result in severe impacts, such as significant damage to roofs and external structures, blocked access roads due to fallen trees, and temporary disruptions to electricity and water supply networks.

Material risk for: Bolzano, Brescia, Foggia, and Suzzara (Italy); Bourbon-Lancy (France).

- **Windstorms:** exposure to strong windstorms may result in damage to buildings (roofs, external walls, and windows), temporary interruptions to electricity and/or water supplies, and significant damage to vehicles, trees, and any external property.

Material risk for: Rorthais (France).

- **Hailstorms:** most Group assets are exposed to large-sized hail, which could result in damage to windows, roofs, external structures, and vehicles. Hail events may also lead to operational disruptions due to restricted movement of personnel and vehicles outside buildings, as well as to power supply outages.

Material risk for: Foggia (Italy); Bourbon-Lancy (France); Vysoke Myto (Czech Republic).

⁽³³⁾ Representative Concentration Pathways (RCPs) are a climate scenario analysis tool, with each scenario describing a potential future trajectory of greenhouse gas concentrations and the resulting global warming effect (i.e., radiative forcing, or RF) up to the year 2100.

⁽³⁴⁾ Analysis conducted on 2024's total insured value under the control of the Loss Prevention Centre of Competence as at the third quarter of the year.

However, the mitigation measures in place, combined with the Group's insurance coverage, significantly limit the potential net economic impacts for most assets (property damage), bringing them well below the materiality threshold. In 2025⁽³⁵⁾, the Group identified investments for a total of more than €1.2 million in loss prevention and mitigation measures, specifically in recommended improvements to align its sites to its loss prevention standards. These targeted investments cut loss expectancies by over €93.6 million, resulting in a Global Efficiency Index⁽³⁶⁾ (GEI) of 0.013, in line with the highest international standards. The goal of Iveco Group's loss-prevention investment strategy is to reduce damage to assets and minimise any resulting production stoppages (business interruptions), at both site and Group level, through the full or partial adoption of existing physical protection recommendations. Over the year, the Group's loss-prevention investments cut the expected loss due to property damage by 58% and due to business interruptions by 42%.

3.2.2 Transition risks

Iveco Group's transition risk and opportunity assessment process started with the identification of key trends and drivers relevant to the Organisation and its industry. The assessment was performed according to ESRS⁽³⁷⁾ requirements as well as IFRS⁽³⁸⁾ S2 guidelines – considering the latter's main climate-related risk and opportunity categories: Market, Policy and Legal, Technology, Reputation, and Liabilities.

The main drivers considered to identify Iveco Group's medium- to long-term transition risks and opportunities were:

- market trends – including the diffusion of electric vehicles and the declining role of internal combustion engines (ICEs) in developed countries; changes in mobility habits in public and private transport; unavailability and price volatility of materials (particularly for metals, semi-conductors, and batteries); and the increase in carbon prices and green accounting practices
- policy trends – such as stricter vehicle emissions standards and ICE sales regulations, the introduction of new green production requirements, mandatory climate-related disclosures, and increased regulatory efforts in other areas, such as health and safety
- technology trends – including the growing demand for green technologies, such as low-carbon materials and innovative battery chemistries, and the adoption of clean-tech production technologies
- reputational trends – such as changing stakeholder perceptions of climate-related issues.

The medium- to long-term analysis (2030-2040) of climate transition risks and opportunities was conducted using the NZE2050⁽³⁹⁾ scenario of the International Energy Agency (IEA), which provides detailed projections for the energy and automotive markets, alongside the IPCC's RCP⁽⁴⁰⁾ 1.9 scenario and the associated Shared Socioeconomic Pathway SSP1⁽⁴¹⁾. These scenarios reflect a set of assumptions regarding future emissions trajectories, climate and energy policies, technological development, and macroeconomic trends. The resulting projections describe a more sustainable global transition pathway consistent with achieving net-zero emissions by 2050 and with limiting the global temperature rise to 1.5°C by 2100. This transition is underpinned by 4 key pillars: large-scale clean energy electrification, significant improvements in energy efficiency, increased use of low-emissions fuels, and methane abatement. Consumption patterns within this pathway are characterised by lower material growth and reduced resource and energy intensity, supported by increased investment in renewable energy, low-carbon technologies, and ongoing efficiency improvements and innovation. This scenario was selected in line with best practices in climate risk management, as it exposes the Organisation to one of the most demanding future pathways and enables the assessment of the implications, risks, and opportunities associated with such a stringent and ambitious decarbonisation transition. It is also consistent with the Group's strategic commitment to achieving net-zero carbon emissions by 2040.

Once the scenario of reference was clearly defined, the Group created a risk register to map the climate-related transition risks and opportunities identified as most relevant to the Organisation (linking each to the aforementioned drivers). Their relevance was assessed through a qualitative analysis, supplemented by an in-depth quantitative analysis of a number of them. The assessment process involved a series of interviews with representatives from various business units – from senior strategists to operational functions – enabling targeted evaluations for each transition risk and opportunity identified and the collection of supporting data for the quantitative analyses. Risk assessment results were subsequently validated within the Group's Climate Change Risk Management (CCRM) framework through alignment with the Enterprise Risk Management (ERM) function, followed by final validation by the Senior Leadership Team (SLT).

Both transition risks and opportunities are classified as material if they have the potential to result in a substantive financial or strategic impact on Group performance. Transition risks are considered significant business disruptors, and opportunities significant business enablers, if they lead to any of the following:

- a negative or positive effect on one or more key strategies designed to improve the Group's stability and growth
- the prolonged suspension, or the launch or enhancement, of essential business activities
- the loss or seizure, or the acquisition or safeguarding, of key assets or profits

⁽³⁵⁾ Figures relate to the period from 1 January 2025 to 31 December 2025 (Insurance Year).

⁽³⁶⁾ The Global Efficiency Index for loss mitigation measures (GEI = cost of protection/reduction of expected damage) is recognised as a measure of best practice for industrial risk management.

⁽³⁷⁾ European Sustainability Reporting Standards.

⁽³⁸⁾ International Financial Reporting Standards.

⁽³⁹⁾ Net Zero Emissions, a scenario that outlines a pathway for the global energy sector to achieve net zero CO₂ emissions by 2050.

⁽⁴⁰⁾ Representative Concentration Pathways (RCPs) are a climate scenario analysis tool, with each scenario describing a potential future trajectory of greenhouse gas concentrations and the resulting global warming effect. RCP 1.9 is a very ambitious scenario, being the IPCC's lowest emission pathway towards limiting global warming to below 1.5°C by the end of the century, which is the aspirational goal of the Paris Agreement.

⁽⁴¹⁾ Shared Socioeconomic Pathways (SSPs) describe alternative socio-economic developments. SSP1 'Sustainability – Taking the Green Road' considers a gradual but pervasive shift towards a more sustainable pathway.

- negative or positive repercussions on the Group's reputation or image, resulting in: a substantial decrease or increase in share price; strained or strengthened relations with stakeholders; a significant adverse or favourable impact on rankings, potentially leading to exclusion from or inclusion in financial or sustainability rating indices.

The final risk register comprised 28 risks and 16 opportunities associated with the main drivers identified. Of these, 9 risks and 4 opportunities were identified as material in the medium and/or long term, as described below.

Risks:

- The ongoing expansion of electric vehicles (EVs) and the contraction of the internal combustion engine (ICE) market may impact the competitive landscape and market dynamics (market risk, material in both the medium and long term).
- A shift to mixed transport technologies that incorporate solutions beyond the Group's portfolio may reduce sales and/or increase investment costs (market risk, material in the long term).
- Challenges in optimising the mix between renewable and alternative energy sources may lead to higher energy costs (market risk, material in the medium term).
- New or increasingly stringent emissions regulations may require changes across the entire value chain and potentially reduce product sales (policy and legal risk, material in both the medium and long term).
- Increasingly stringent environmental regulations may shorten product life cycles (policy and legal risk, material in the medium term).
- The investment costs required to comply with EU regulations may reduce cash flow (policy and legal risk, material in the medium term).
- Ensuring legal compliance and protecting people and assets from climate-related events may increase health and safety investment costs (policy and legal risk, material in both the medium and long term).
- The streamlining of battery pack assembly processes may reduce the required workforce (technology risk, material in the long term).
- Failure to anticipate future market dynamics regarding green products or production technologies may reduce competitiveness (technology risk, material in the long term).

Opportunities:

- The electrification trend may enhance market consolidation, increasing the Group's market share (market opportunity, material in both the medium and long term).
- The development of products and services that keep pace with evolving customer behaviours and purchasing patterns may strengthen the Group's market position (market opportunity, material in the long term).
- The consolidation of electrification may generate financial benefits associated with higher margin products and improved efficiency (market opportunity, material in the medium and long term).
- A regulatory shift supporting the use of carbon-neutral fuels to achieve CO₂ reduction targets may create opportunities to extend the viability of ICEs while reducing the overall cost of electrification (policy and legal opportunity, material in the medium term).

Quantifying the exact financial impacts of climate-related risks and opportunities remains challenging due to the inherent uncertainties in projections and scenarios. However, where sufficiently accurate and robust assumptions could be made, the Group has estimated the economic impacts of its risks and opportunities, providing substantial financial information to support its climate change risk assessment.

3.3 POLICIES RELATED TO CLIMATE CHANGE (E1-2)

Iveco Group's Environmental Policy and Energy Policy regulate those activities that generate the greatest impact and/or potential risk with regard to the ESRS E1 sub-topics 'Climate change mitigation', 'Climate change adaptation', and 'Energy', and support the Group in reaching its sustainability targets and ambitions.

3.3.1 Environmental Policy

Iveco Group considers climate change mitigation and adaptation, as well as the optimisation of energy consumption, to be of the utmost importance, as the greenhouse gas emissions generated by its own operations (Scope 1 and 2), by the use of its sold vehicles, and by its supply chain (e.g., inbound and outbound logistics flows) all contribute to climate change. Initiatives such as the launch of new electric vehicles and the use of alternative fuels and propulsions – such as natural gas, biomethane, hydrogen, and electric and hybrid vehicles – help reduce emissions during vehicle use and therefore contribute to tackling climate change. The importance of these topics is reflected in the extensive regulatory framework applicable to engine and vehicle emissions, and failure to comply with its requirements can lead to considerable penalties and reputational damage. The Environmental Policy outlines Iveco Group's short-, medium-, and long-term commitments to responsibly managing its environmental aspects (particularly energy, water and natural resources, raw materials, hazardous substances, polluting emissions, and waste). It also explicitly reflects the Organisation's belief that efficient resource use and environmental impact reduction are crucial strategies in creating added value for both itself and the communities in which it operates. Iveco Group thus anticipates risks that could potentially impact the environment and human health by adopting a precautionary approach when designing products, overseeing manufacturing processes, defining logistics flows, and managing product end-of-life: namely, the precautionary principle introduced by the Rio Declaration on Environment and Development⁽⁴²⁾. The policy addresses the key steps towards reaching Iveco Group's ambitious goal of achieving net zero carbon by 2040. This includes complying with all applicable environmental legislation as well as other environmental requirements, and, where possible, adopting early versions of new legal provisions if more stringent. This commitment extends to all stages of the upstream and downstream value chain: purchasing processes, product concept and development, operations, logistics and distribution, sales and after-sales, remanufacturing, and product end-of-life. The key measures include:

- reducing energy consumption, lowering greenhouse gas emissions, and promoting renewable energy
- reducing air emissions
- promoting sustainable mobility
- adopting an eco-design approach to minimise the environmental impact of vehicles by developing products that deliver industry-leading performance in terms of fuel efficiency, noise and polluting emissions, and recoverability rates
- minimising the environmental impact of inbound and outbound logistics.

Iveco Group also engages and partners with stakeholders to promote environmental care, increase understanding of environmental issues, and disseminate best practices, involving environmental experts from within and outside the Organisation. The Environmental Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. Iveco Group's Board of Directors endorses the policy's principles and oversees its implementation, the executive responsibility for which lies with the Senior Leadership Team (SLT), tasked with developing appropriate operational procedures and ensuring adequate allocation of resources and professional expertise. The policy, available on the corporate website, has been shared with all Group employees and senior management worldwide.

3.3.2 Energy Policy

The Energy Policy outlines Iveco Group's commitment to improving the energy performance of its processes in order to enhance resource use efficiency and reduce environmental impacts, pursuing the principles of sustainable development and continuous improvement. The Group's aim is to develop its business strategically through sustainable technology, monitoring risks and adopting measures to mitigate them, ultimately delivering economic benefits and improvements for the environment and society in which it operates. The Energy Policy is implemented in compliance with the ISO 50001:2018 standard, and is available on the corporate Intranet.

3.4 CLIMATE ACTIONS AND TARGETS (E1-3, E1-4)

3.4.1 Scope 1 and 2 emissions actions and targets

Iveco Group works towards climate change mitigation by reducing its energy consumption and use of fossil fuels and by minimising air pollution, with the primary objective of reducing CO₂ emissions from its manufacturing processes. Managing greenhouse gas (GHG) emissions and optimising energy consumption are therefore prerequisites for the continuous improvement of the Group's performance and the protection of the environment in which it operates. As stated in its Energy Policy, Iveco Group is committed to reducing: the use of fossil fuels in favour of renewable energy sources; energy consumption through more efficient products and processes; and GHG emissions by cutting energy consumption while adopting both conventional and innovative technical solutions. Promoting employee involvement and raising awareness of the importance of conserving energy resources is key to achieving these improvement targets.

Energy efficiency is both a priority and an opportunity for companies to reduce operating costs and mitigate climate change. With this in mind, below are a few examples of how sustainability matters have become embedded in Iveco Group's daily activities and how they help drive its way of doing business. An efficient energy management system requires effective monitoring of energy performance. The Group has achieved this by adopting specific energy performance indicators (EnPI) to assess the benefits and effectiveness of its initiatives, plan improvement measures, and establish new and ever-more challenging targets.

⁽⁴²⁾ Principle 15 of the Rio Declaration on Environment and Development, approved by the United Nations in 1992.

In 2025, Iveco Group continued to monitor energy performance at each of its plants (representing the Focus Area⁽⁴³⁾), as well as their secondary vectors and their compliance with the Group's Energy Action Plan, using its Energy Monitoring & Targeting (EM&T) management and control platform. Additionally, it enhanced the exchange and dialogue between plants by means of an Intranet portal focusing on procedures, best practices, regulations, corporate guidelines, and solutions to energy-related issues and challenges, thereby increasing the level of people engagement and awareness.

With regard to Iveco Group's Focus Area reporting scope, as at the end of 2025, 20 plants were ISO 50001:2018 certified, evidence of the Group's quest to reduce its energy impact. The main advantage of ISO 50001 certification is its systematic approach to continuous improvement in energy performance; this approach leads to a more efficient and rational use of energy, which translates into economic benefits and fewer GHG emissions. These efforts also apply to other sites beyond the Focus Area, such as those in San Mauro Torinese (Italy), Garchizy (France) and, as of 2025, Ulm (Germany).

To reduce energy consumption and CO₂ emissions, targeted actions have been implemented across several key areas:

- **Metering:** the system was expanded to gain deeper insights into consumption patterns and improve energy management
- **Buildings:** efforts involved wall insulation improvements, roof repairs, the installation of rapid doors, and office automations, all working collectively to reduce energy loss
- **Lighting:** involving the installation of high-efficiency intelligent LED systems with presence detectors and dimmers that ensure lights are used only when needed, both inside and outside facilities
- **Heating and Cooling:** the systems were optimised by electrifying heating through heat pumps powered by photovoltaic systems, replacing outdated heating equipment, lowering heating temperatures, and establishing startup and shutdown protocols with optimal set points. Additionally, cooling requirements were minimised, with air vents strategically placed to control temperature effectively while conserving energy.

The combination of these initiatives played a substantial role in lowering both energy consumption and carbon emissions.

The 2025 total expenditure for energy projects was allocated as follows: €2.95 million in capital expenditures (CapEx) and €260,000 in operational expenditures (OpEx), with part of these investments linked to projects from previous years. Notably, the efficiency initiatives introduced during the year resulted in annual savings of approximately €1.12 million. The simple payback period is estimated at around 2 years. Moreover, the projects in place led to a yearly reduction in energy consumption of approximately 10,200 MWh and in CO₂eq emissions of about 3,200 tons (as per the market-based method).

2025 Energy Improvement Projects in Detail Focus Area

	Annual energy reduction due to 2025 projects (MWh)	Total project cost ^(a) (€ thousands)
Lighting efficiency	301	153
Electric power efficiency systems	1,171	526
Heating systems	530	386
Technological heat systems	8,242	1,152
Total	10,244	2,217

^(a) As the implemented projects extend over multiple years and encompass various workstreams, the total investment value may be subject to adjustments throughout the duration of the initiative.

Iveco Group has set itself the ambitious goal of achieving net zero carbon by 2040. The strategic sustainability **targets** included in the Sustainability Plan (see 1.6 Strategy, Business Model, and Value Chain) and that apply to the scope of the Focus Area are:

- to obtain 100% of electricity consumption from renewable sources by year-end 2026
- to reduce absolute CO₂eq emissions (Scope 1 and 2) by 50% by year-end 2030 (compared to 2019⁽⁴⁴⁾).

In 2025, within the scope of the Focus Area, the Group achieved the following results:

- 100% of total electricity consumption derived from renewable sources (already achieved, ahead of schedule)
- a 29.6% reduction in absolute CO₂eq emissions (Scope 1 and 2) compared to the 2019 base year.

Regarding the 50% reduction target in CO₂eq emissions compared to the 2019 base year, Scope 1 accounts for approximately 60% of the reduction, while Scope 2 contributes around 40%.

Each decarbonisation initiative's contribution to reaching the overall target is shown in the following table.

⁽⁴³⁾ For the definition of the Focus Area reporting scope, see 1.1 General Basis for the Preparation of the Sustainability Statement.

⁽⁴⁴⁾ The base year (2019) Scope 1 and 2 emissions are equal to 98,300 tCO₂eq. The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

Main Emission Reduction Initiatives and Expected Outcomes
Focus Area

	2019 Base year ^(a) (tCO ₂ eq)	2030 Target (%)
GHG emissions – Scope 1 & 2	98,300	50
Building refurbishments		1
Energy efficiency systems		2
Renewable energy systems		16
Management initiatives		11
Heat recovery systems		2
Building energy management systems (BEMS)		1
Electrification of heat production and fuel switching (process & heating)		17

^(a) The base year (2019) Scope 1 and 2 emissions are equal to 98,300 tCO₂eq. The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

In 2025, approximately 2,200 hours of **training** were provided (mainly by in-house professionals) to more than 3,200 people across different plants, focusing on proper energy performance monitoring and management, the Group's decarbonisation strategy, and the best and latest technologies available. Several employee initiatives were introduced to raise energy awareness and promote a more sustainable lifestyle, such as energy workshops covering a range of topics of interest to the many Iveco Group energy specialists attending from plants worldwide.

3.4.2 Scope 3 emissions actions and targets

Reducing greenhouse gas (GHG) emissions across the entire value chain is a key priority for Iveco Group, with Scope 3 Category 11 emissions – those generated during the use of sold products – accounting for the largest share of its total emissions. Given the Organisation's role in mobility and transport, tackling these emissions is essential to its decarbonisation strategy. To this end, the Group has set a strategic sustainability **target**, incorporated into its Strategic Business Plan, focused specifically on Category 11 CO₂ emissions, considering future product types and volumes: to reduce by 38% the Scope 3 CO₂ emissions from the use of sold products⁽⁴⁵⁾ per vehicle/km (compared to 2022). It has also committed to cutting emissions across its value chain by focusing on purchased goods and services and on logistics.

3.4.2.1 Purchased goods and services and upstream transportation and distribution

Purchased Goods

Suppliers are actively involved in Iveco Group's mission to reduce the environmental impact of its activities and fight climate change, in line with its commitments. In fact, to further limit the impact of manufacturing processes and products on the environment, the Supplier Code of Conduct expressly requires them to optimise their use of resources and minimise their polluting and greenhouse gas (GHG) emissions. It also encourages them to effectively manage waste treatment and disposal, and to adopt logistics management processes that limit environmental impact. For these reasons, suppliers are strongly advised to adopt an environmental management system certified according to international standards.

In 2025, Iveco Group continued to monitor and interact with its supplier network through Open-es, the community-based digital platform it joined in 2022, so as to increase suppliers' engagement with and awareness of sustainability topics while tracking their sustainability performance. The Open-es platform is used to monitor environmental aspects in line with the World Economic Forum's guidelines on policies, activities, and results related to:

- climate change
- energy efficiency
- biodiversity
- water resources
- circular economy
- plastic recycling.

The suppliers that registered on the platform in 2025 accounted for approximately 92% of the Group's direct material purchases. The platform is a valuable tool used by the Organisation both to communicate its priorities and to support suppliers in their sustainability journey. This interactive ecosystem, combined with ongoing dialogue and collaboration with suppliers, is a means to share experiences and find increasingly innovative solutions to reduce the environmental footprint of all parties involved.

⁽⁴⁵⁾ The target refers to vehicles manufactured in Europe.

Iveco Group's commitment to the environment is also reflected in the strategic sustainability **target** incorporated into the Strategic Business Plan: to achieve a 30% reduction in absolute CO₂ emissions generated by major suppliers of purchased goods and services, by year-end 2030 (compared to 2022). For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

Upstream Transportation and Distribution

In managing logistics processes, Iveco Group continuously seeks sustainable solutions to enhance efficiency and reduce environmental impact. For this purpose, logistics processes are managed both internally within the value chain, specifically within the Manufacturing, Sales, and Procurement functions, and externally, by working with partners to optimise the efficiency of logistics flows to reduce their environmental impact. Sustainable logistics bring time and cost efficiencies, emissions reductions, and improved resource utilisation and packaging management; they also mitigate indirect impacts on traffic congestion and human health.

Iveco Group's approach to low-carbon logistics focuses on 3 areas:

- increasing low-emission transport
- adopting intermodal solutions
- optimising transport saturation.

Iveco Group has designed its logistics system to deliver safety, ergonomics, reduced emissions, and uninterrupted transport logistics flows. This approach ensures the effective management and evaluation of logistics projects in line with defined standards. Moreover, since the active engagement of suppliers is integral to the efficiency and sustainability of the logistics system, the Group directly involves them in most of its projects and initiatives, working with them to develop and implement the best solutions to meet the Organisation's environmental impact reduction targets.

As evidence of its commitment to reducing its logistics impacts, the Group has incorporated a strategic sustainability **target** into its Strategic Business Plan: a 7% reduction in kilos of CO₂ emissions per ton of goods shipped (inbound, outbound, and spare parts) by year-end 2026 (compared to 2022).

For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

The Group continues to put initiatives in place to advance sustainable logistics processes without compromising service quality or profitability, with a focus on generating positive social impacts. The aim is to reduce the environmental impact of logistics operations by focusing on technologies, procedures, and activities to optimise the use of transport modes, intermodal flows, and long-haul transport.

The Group promotes the use of road vehicles compliant with the most stringent environmental standards: in Europe, for example, specific contractual clauses oblige external transport providers to use vehicles compliant with Euro IV standards or higher. Optimising transport capacity is also key to limiting costs and environmental impact, which is why technical and organisational changes are made to both routes and volumes to optimise and streamline the entire process.

In order to substantiate the strategic sustainability target the Group has set for logistics and the relevant improvement projects, the Organisation duly monitors some of the environmental aspects considered most significant⁽⁴⁶⁾ for logistics processes. CO₂ emissions from logistics are affected by:

- the number of inbound/outbound transport flows
- the Organisation's effectiveness at promoting mitigation initiatives among suppliers (e.g., through specific contractual clauses)
- emissions reduction initiatives (e.g., the adoption of intermodal solutions and containment of air shipments).

⁽⁴⁶⁾ The criteria used to measure the significance of the environmental aspects of logistics processes are the size of their impact as well as the Group's ability to manage and mitigate both the impact and its potential effects on the surrounding environment.

By year-end 2025, the containment initiatives in place had already allowed the Organisation to cut CO₂ emissions by 2.4% compared to the previous year (in terms of kilos of CO₂ emissions per ton of goods shipped).

CO₂ Emissions in Logistics Processes^(a)
Group-Wide (tCO₂eq)

	2025	2024
Inbound	88,003	86,500
Outbound	54,404	54,988
Spare parts	16,214	21,040
Total	158,621	162,528

^(a) For the calculation methodology, see 3.5.2 Gross Scope 1, 2, 3 and Total GHG emissions.

3.4.2.2 Use of sold products

The Group offers a diversified portfolio of products, each delivering a very different range of features to perform the very different tasks it was designed for. Adding to this broad product mix is Brand FPT, which manufactures industrial powertrains for trucks, buses, agricultural and construction equipment, boats, and power generators. This diversified offering has played a major role in shaping Iveco Group's decarbonisation strategy, driving the long-term adoption of a multi-energy approach. Currently, this approach includes propulsion systems powered by traditional technologies as well as by natural gas (NG), biofuels, electrified solutions, and hydrogen. While the electric vehicle market is expected to grow in the future, a continued market presence is foreseen for internal combustion engine (ICE) vehicles running on sustainable biofuels or other non-fossil fuels, including hydrogen. Furthermore, legislative milestones are expected globally for CO₂ emissions on the path towards decarbonised transport. For these reasons, the Organisation continues to invest in ICEs and after-treatment systems to enhance fuel efficiency, meet regulatory requirements, and maintain a competitive edge. In 2025, R&D investments focused mainly on zero-emission vehicles, electrification, multi-fuel energy solutions, and digitalisation, totalling €672 million. For more information, see 'Research and Development' in this Annual Report.

To achieve net zero carbon by 2040, the strategic sustainability **targets** set by Iveco Group and incorporated into its Strategic Business Plan include a vehicle CO₂ emissions reduction target for year-end 2030: to reduce by 38% the Scope 3 CO₂ emissions from the use of sold products⁽⁴⁷⁾ per vehicle/km (compared to 2022). To reach this target, the Group is gradually shifting its vehicle sales towards battery electric vehicles (BEVs) and hydrogen-powered vehicles, including fuel cell electric vehicles (FCEVs). For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

Internal Combustion Engines

The XC13 engine, installed in the new IVECO S-WAY Model Year 2024, is Brand FPT's first **multifuel**, single base engine – an example of the Brand's Cursor X power source concept, which is multi-power, modular, multi-application, and mindful (i.e., intelligent). For maximum component standardisation and simple vehicle integration, the base engine comes in multiple versions: diesel, natural gas (also compatible with biomethane) and, currently under development, hydrogen. Besides delivering world-class performance, the XC13 engine has potential as a primary driver in achieving short- and medium-term CO₂ emissions targets. Indeed, a truck fitted with an XC13 Diesel engine generates 10% fewer CO₂ emissions (a reduction of 9 tons per year), of which 7% is attributable to the engine itself, compared to the same truck fitted with a C13 Diesel engine (Model Year 2022). The XC13 engine will help deliver future CO₂ reductions in agricultural and construction applications as well, making it a major player in the Group's decarbonisation strategy.

FPT is actively researching second-generation renewable **biofuels** in accordance with EN15940 fuel specifications, with a particular focus on hydrotreated vegetable oil (HVO) and other renewable XTL⁽⁴⁸⁾ solutions. Since 2020, all of the Brand's engine families have been type-approved for HVO, and several buses and coaches have already been adapted to run on this fuel to reduce their CO₂ emissions. HVO, and XTL fuels in general, are an effective way to tackle the CO₂ emissions of existing fleets, as they are fully compatible with current engine technologies and fuel distribution infrastructure. Furthermore, the availability of HVO as a neat fuel (i.e., not mixed or diluted with other fuels) is expanding across Europe, with an increasing number of fuelling stations offering this option. In this regard, Iveco Group signed a letter of intent with energy company Eni, which now sells HVOlution (a diesel fuel produced entirely from renewable raw materials) at over 600 fuelling stations in Western Europe. The goal of this collaboration is to support the smooth transition from fossil fuels to renewable alternatives.

⁽⁴⁷⁾ The target refers to vehicles manufactured in Europe.

⁽⁴⁸⁾ XTL (X-to-Liquid) refers to synthetic diesel fuels, including HVO, that meet the EN15940 standard.

FPT's N67 engine is homologated for use with B100 biodiesel in accordance with EN14214, the European standard for biodiesel, and is featured in the CROSSWAY intercity coach produced by Brand IVECO BUS. This new version is especially well-suited to address the decarbonisation needs of school and urban transport, given B100's ability to cut CO₂ emissions by almost 60% across the well-to-wheel cycle compared to traditional diesel. The first B100-compatible CROSSWAY units were delivered and registered in mid-2024. The Brand is also exploring a retrofit protocol for its existing CROSSWAY fleet equipped with the N67 Euro VI step E engine.

For internal combustion engines (ICEs), **biomethane** remains one of the best alternatives to diesel over the medium term. Indeed, all of the Organisation's currently available natural gas (NG) engines are 100% biomethane-compatible, the many benefits of which include:

- full compatibility with existing NG technology
- fully renewable fuel
- near-zero well-to-wheel CO₂ emissions – or even negative emissions (up to 120%⁽⁴⁹⁾ fewer compared to diesel) if sourced from manure
- alignment with circular economy principles.

With over 100,000 units sold to date, FPT has the largest NG engine portfolio on the market and is a leader in NG engine sales in Europe. Furthermore, its N67 NG is the only medium-duty NG engine currently available in Europe, delivering up to 10% fewer CO₂ emissions compared to its diesel version. It is featured in the IVECO Eurocargo truck Model Year 2024 as well as in the brand new IVECO BUS G-WAY – a biomethane-compatible midibus that essentially replaces the previous diesel version – supporting Iveco Group's portfolio transition to low-carbon transport solutions. Beyond road transport, the N67 NG engine is used in agricultural tractors, further highlighting its versatility across applications.

FPT is also advancing NG engine development by focusing on multipoint stoichiometric combustion, currently the most cost-effective solution to meet Euro VI emissions standards. This technology enables a substantial reduction in harmful emissions (such as hydrocarbons and NO_x) to very low levels, and is already used in commercial vehicles, buses, specialty vehicles, and agricultural equipment. It is currently available in FPT's Cursor, NEF, and F1 engine series, offering customers significant cost benefits throughout the entire service life of vehicles.

Meanwhile, IVECO BUS further expanded its compressed natural gas (CNG) portfolio, confirming its position as Europe's leader in CNG mobility. The Brand's portfolio includes vehicles covering all types of passenger transport, with URBANWAY, CREALIS, and CROSSWAY models available in low-entry and normal floor variants, all of which are also available in mild hybrid versions. The newest model, the G-WAY midibus, combines the environmental benefits of natural gas and biomethane with high performance and a range of up to 500 kilometres. This mid-size NG city bus features compact dimensions (9.5 or 10.7 metres in length and 2.33 metres wide) and exceptional manoeuvrability, providing a sustainable mobility solution for narrow streets, mountainous regions, and areas with low population density.

Finally, the use of **hydrogen** as a fuel for ICEs to achieve zero-carbon emissions does not require major modifications to current vehicle architectures (whether on- or off-highway), and avoids the need for an electric motor to provide power assist. Within this context, FPT is currently developing its H₂-ICE technology, designing a new series of engines offering modular, multifuel solutions that are simple to install.

E-Powertrain

Brand FPT has a dedicated cross-functional ePowertrain business line that focuses on the development of electric vehicle technologies. The aim is to meet customer needs with a wide range of tailor-made alternative ePropulsion and energy storage solutions that can be adapted to multiple applications and industry segments, thus strengthening the Brand's positioning in the market as a multi-energy solutions provider.

To date, FPT's portfolio includes:

- ePropulsion (eAxles, central drives, and electric drive units)
- energy storage systems (battery packs) and battery management systems (BMS)
- fuel-cell electric solutions
- hybrid vehicle solutions (electric assist systems).

Among the 3 eDriveline solutions within the Brand's ePropulsion portfolio, eAxles are a premium technological solution to maximise efficiency and optimise energy usage, with a complete line-up launched in 2024 for vehicles ranging from 3.5 to 49 tons.

As regards energy storage systems, FPT offers 3 different battery packs: a 37 kWh solution for the IVECO eDaily and for minibuses; a 69 kWh solution for the IVECO BUS range; and a 42 kWh solution for off-highway vehicles.

⁽⁴⁹⁾ Source: study carried out by the Institute of Atmospheric Pollution of the Italian National Research Council (CNR).

The complete battery line-up is modular (more than one pack can be mounted in parallel). Moreover, NMC⁽⁵⁰⁾ pouch cell technology allows the battery packs' energy density to be maximised, ensuring high levels of safety. The Brand's eBS 37 EVO and eBS 69 EVO batteries come with a Battery Passport, with traceable information collected via blockchain technology. Both solutions are already compliant with the ECE Regulation 100 Rev.3 on electric vehicle safety. Additionally, the eBS 37 EVO battery pack can be reused (and thus its lifespan extended) thanks to the Brand's proprietary battery management system (BMS), while its end-of-life is managed using a 4R approach – repair, reconditioning, reuse, and recycle. As per several agreements in place with recycling companies in Europe, battery pack recycling is carried out in compliance with applicable laws. Meanwhile, the Group is exploring a number of options for battery pack reuse once it has been removed from vehicles at the end of its service life. A proof of concept (PoC) life cycle assessment (LCA) was performed on the eBS37 EVO battery pack to assess its carbon footprint, with results indicating an optimised environmental profile. As at year-end 2025, FPT had delivered approximately 30,000 ePowertrain units to customers. All products are assembled and validated in carbon-neutral manufacturing and testing facilities.

IVECO has recently expanded its electric vehicle portfolio beyond the all-electric IVECO eDaily commercial van, with the launch of the new IVECO S-eWay battery-electric truck and of the eJolly and eSuperJolly electric vans, both developed in partnership with Stellantis. As a result, the Brand now offers a fully electric line-up designed to address any operational needs, from urban and regional applications to the most demanding missions. Acting as an eMobility partner, IVECO delivers an integrated ecosystem of vehicles, charging solutions, and smart digital services to accelerate the transition to more sustainable operations. Digital services, such as the IVECO ON Portal and the Smart Routing and Easy Apps, provide real-time insights, predictive range management, and remote charging control, helping fleets reduce energy waste, optimise routes, and improve overall efficiency. Moreover, as at year-end 2025, the IVECO Customer Uptime Centre was monitoring more than 3,000 electric vehicles, enabling proactive maintenance and operational continuity. This approach supports customers' sustainability objectives by extending vehicle service life, reducing resource consumption, and minimising unplanned downtime – key factors in lowering life cycle emissions and enhancing operational resilience. Completing this ecosystem are IVECO eCharge Solutions, which support electrification by enabling private depot charging and providing access, via the IVECO eCharge Card, to a European-wide public network of more than one million charging points, including 10,000 ultra-fast stations and an increasing number of truck-ready sites.

Brand IVECO BUS also extended its range of electric vehicles, covering all the demands of urban, suburban, and interurban missions. Following the successful introduction of the E-WAY (with versions ranging from midibus to articulated) and the CROSSWAY ELEC (available in low-entry and normal floor variants), the portfolio was completed with the addition of a new minibus model: the eDAILY Low Entry, showcased at Busworld 2025. This new electric version of the eDaily minibus provides easy access for wheelchair users thanks to its central section equipped with a ramp, and can accommodate 2 or 3 eDaily batteries, providing up to 148 kWh of energy storage. The positive response to this portfolio from transport authorities and operators translated into record registrations of IVECO BUS battery electric vehicles (BEVs) in 2025, with over 1,200 units registered in Europe. To support the sale of its electric vehicles, the Brand has also set up Energy Mobility Solutions, which further boosts its added value, providing consulting services and delivering turn-key projects. Over 50 projects have been managed to date, involving the sale of over 750 chargers for the Brand's buses.

Fuel Cell Electric Vehicles

One of the solutions in moving closer to decarbonisation is the use of fuel cell electric vehicles (FCEVs), which is one option for long-haul transport and, in general, for applications requiring a trade-off between greater range, higher payload, and lower refuelling time. This applies to heavy-duty vehicles, light-duty commercial vehicles, and urban transport vehicles alike.

The IVECO S-eWay Fuel Cell is a heavy-duty electric truck for the European market, offering a range of up to 800 kilometres and fitted with Bosch fuel cells and an FPT eAX 840-R eAxle. In 2025, its pre-series version was deployed under the EU-funded H2Haul project to selected customers, for real-world testing of this first-generation prototype. This will allow the Group to learn from its practical application, identify areas for improvement, and fine-tune the vehicle, while demonstrating that it can effectively deliver the most demanding heavy-duty missions – a long-established benchmark for conventional diesel vehicles.

Within the light-duty range, in 2024, IVECO and Hyundai unveiled a working prototype of the eDaily Fuel Cell, featuring Hyundai's 90 kW hydrogen fuel cell system, along with an eCD 140-R central electric drive system and eBS 37 EVO modular battery pack designed, developed, and produced by FPT. The prototype has a 7.2-ton gross vehicle weight (GVW). It has been tested in Europe, confirming a range of 400 kilometres, a 3-ton maximum payload, and a refuelling time of 15 minutes or less. While the eDaily BEV version is designed for short journeys, the eDaily Fuel Cell will be ideal for long-haul, high-payload, and high-energy-demand missions. For passenger transport, at the end of 2025, IVECO BUS delivered the first serial production of the e-Way Fuel Cell for operation in Lorient (France). Deliveries will continue in 2026, based on new orders acquired in 2025 for Dunkerque and Annecy (France) and for Gorizia (Italy).

⁽⁵⁰⁾ NMC refers to a Nickel Manganese Cobalt-based lithium-ion cathode chemistry.

3.5 CLIMATE METRICS

3.5.1 Energy consumption and mix (E1-5)

In 2025, Iveco Group reported a total energy consumption of 1,125,910 MWh within its Group-Wide reporting scope⁽⁵¹⁾. Meanwhile, within the scope of the Focus Area⁽⁵²⁾, the Organisation's energy performance – defined as total internal energy consumption⁽⁵³⁾ divided by hours of production – saw an improvement, with the key performance indicator (KPI)⁽⁵⁴⁾ falling by approximately 23% compared to the 2019 base year.

This was the result of the successful synergy between the ISO 50001 energy management system and the energy efficiency projects realised. The sustainability target set for the Focus Area and included in the Sustainability Plan (see 1.6 Strategy, Business Model, and Value Chain) is to achieve a 30% reduction in total energy consumption per production unit (MWh/hour of production) by year-end 2030 (compared to 2019).

Energy Production Mix

Group-Wide

	2025	2024 Recast ^(a)	2024
Fuel consumption from crude oil and petroleum products (MWh) ^(b)	131,685	118,560	121,279
Fuel consumption from natural gas (MWh)	568,798	598,852	605,402
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	29,335	96,107	97,121
Total fossil energy consumption (MWh)	729,818	813,519	823,802
Share of fossil sources in total energy consumption (%)	64.8	69.6	69.1
Fuel consumption from renewable sources, including biomass ^(c) (MWh)	-	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	387,796	347,761	360,994
Consumption of self-generated non-fuel renewable energy (MWh)	8,296	7,662	7,662
Total renewable energy consumption (MWh)	396,092	355,423	368,656
Share of renewable sources in total energy consumption (%)	35.2	30.4	30.9
Total energy consumption (MWh)	1,125,910	1,168,942	1,192,458

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) The 2024 figures were recalculated to reflect a more granular analysis of car fleet energy consumption and were disclosed in line with ESRS 1 paragraph 7.1. For additional information, see the relevant 'Data Calculation Methodology' section.

^(c) Also comprising industrial and municipal waste of organic origin, biogas, renewable hydrogen, etc.

Energy Production Mix

Focus Area

	2025	2024 Recast ^(a)	2024
Fuel consumption from crude oil and petroleum products (MWh)	38,731	39,465	40,400
Fuel consumption from natural gas and consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	370,384	391,722	396,425
Total fossil energy consumption (MWh)	409,115	431,187	436,825
Share of fossil sources in total energy consumption (%)	55.6	55.6	55.0
Fuel consumption from renewable sources, including biomass ^(b) (MWh)	—	—	—
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	318,156	336,914	350,001
Consumption of self-generated non-fuel renewable energy (MWh)	8,179	7,560	7,560
Total renewable energy consumption (MWh)	326,335	344,474	357,561
Share of renewable sources in total energy consumption (%)	44.4	44.4	45.0
Total energy consumption (MWh)	735,450	775,661	794,386

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) Also comprising industrial and municipal waste of organic origin, biogas, renewable hydrogen, etc.

⁽⁵¹⁾ For the definition of the Group-Wide reporting scope, see 1.1 General Basis for the Preparation of the Sustainability Statement.

⁽⁵²⁾ For the definition of the Focus Area reporting scope, see 1.1 General Basis for the Preparation of the Sustainability Statement.

⁽⁵³⁾ Types of energy included: electricity, heat, steam, cooling, natural gas, metallurgical coal, diesel, and other fuels.

⁽⁵⁴⁾ Fuel used to test products is not included.

Energy Production Mix — Excluding Crude Oil and Petroleum Products
Focus Area^(a)

	2025	2024 Recast ^(b)	2024
Total energy consumption (MWh)	696,719	736,196	753,986
Total energy consumption / total manufacturing hours	0.0236	0.0254	0.0251

^(a) The base year (2019) KPI is equal to 0.0306 MWh/total manufacturing hours. The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement. The target scope excludes fuel consumption from crude oil and petroleum products.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Consumption from Nuclear Sources

Group-Wide

	2025	2024 Recast ^(a)	2024
Consumption ^(b) from nuclear sources (MWh)	6,105	6,555	6,690
Share of consumption from nuclear sources in total energy consumption (%)	0.5	0.6	0.6

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) Energy consumption from nuclear sources (and this figure as a percentage of total energy consumption), is calculated based on total electricity consumption and the markets from which it is purchased. When using a location-based approach (used to calculate emissions based on the average emissions intensity of the grids from which electricity is consumed by the Group), the resulting figures are: 57,825 MWh for 2024 (4.8% of total energy consumption), 57,636 MWh for the 2024 recast data (4.9%), and 59,581 MWh for 2025 (5.3%).

Consumption from Nuclear Sources

Focus Area

	2025	2024 Recast ^(a)	2024
Consumption ^(b) from nuclear sources (MWh)	—	350.4	350.4
Share of consumption from nuclear sources in total energy consumption (%)	—	0.045	0.045

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) Energy consumption from nuclear sources (and this figure as a percentage of total energy consumption), is calculated based on total electricity consumption and the markets from which it is purchased. When using a location-based approach (used to calculate emissions based on the average emissions intensity of the grids from which electricity is consumed by the Group), the resulting figures are: 49,762 MWh for 2024 (6.3% of total energy consumption), 49,709 MWh for the 2024 recast data (6.4%), and 51,536 MWh for 2025 (7%).

Iveco Group's energy intensity (Group-Wide) is calculated based on net revenues and corresponds to 77.55 MWh/€ million⁽⁵⁵⁾ (76.74 in 2024).

The underlying assumption is that all Iveco Group energy consumption relates to high climate impact sectors.

Focus Area Reporting Scope – Data Calculation Methodology

Normalised production unit indexes were defined specifically to track medium- and long-term environmental performance trends. This approach emphasises performance improvements due to process optimisation rather than fluctuations in production volumes. Performance indicators were calculated on the total number of manufacturing hours, defined as the hours of presence of hourly employees within the manufacturing scope required to manufacture a product.

Specific metrics were used to monitor secondary vectors within this scope (e.g., when monitored as a secondary vector, compressed air was indicated in Nm³ and converted into MWh).

Direct energy refers to the forms of energy that fall within the scope of Iveco Group's operations; it can either be consumed by the Organisation within its boundaries or exported to other users.

The consumption of fuel used for the following purposes was reported separately: to move unsold, newly manufactured vehicles to the designated parking lots; to fuel forklifts and internal utility cars; to perform engine tests; and to power generators, motor pumps, pressure washers, and other devices.

Indirect energy refers to the energy produced outside the scope of Iveco Group's operations, supplied to meet the needs of the Organisation itself (e.g., electricity, heating, and cooling).

The KPIs for assessing both energy consumption and CO₂eq emissions per production unit do not take into account diesel or LPG consumption from logistics or product testing.

Some of the 2024 figures were recalculated – and reported separately as recast data – to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit and enable comparability with the 2025 reporting perimeter.

⁽⁵⁵⁾ The revenues used to calculate the intensity ratio include discontinued operations, except in the case of recast data.

Group-Wide Reporting Scope – Data Calculation Methodology

The reported energy consumption was measured using special metering systems installed on the primary energy carrier meters at plant entrances. Unlike the Focus Area, consumption within this scope does not refer only to the manufacturing perimeter, and thus to total manufacturing hours, but to the consumption of the entire Group. It therefore includes the consumption of fuel used: to move unsold, newly manufactured vehicles to the designated parking lots; to fuel forklifts and internal utility cars; to perform engine tests; and to power generators, motor pumps, pressure washers, and other devices.

Fleet car fuel consumption was estimated based on average data from a representative sample of vehicles.

Most of the reported data (approximately 94%) was derived from primary sources, covering the scope of the Focus Area as well as some additional sites. When reporting on the full Group-Wide scope, the additional data (6%) was based on estimates, using comparable data from similar monitored sites as a reference and considering factors such as site size and indicators such as the number of employees.

Some of the 2024 figures were recalculated – and reported separately as recast data – to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit and enable comparability with the 2025 reporting perimeter.

The 2019 base year figures (used for targets) were recalculated by adopting the same approach as for the 2024 figures to reflect the exclusion of the Group's former Fire Fighting Business Unit.

Some of the 2024 figures were restated following a more detailed analysis of car fleet energy consumption, or because they were reassigned to a different energy source. The 2024 restated Group-Wide figure for Fuel consumption from crude oil and petroleum products was 121,279 MWh (against the 102,593 MWh reported prior to the restatement); all related figures (e.g., Scope 1 emissions and intensity ratios) were restated accordingly.

3.5.2 Gross Scope 1, 2, 3 and total GHG emissions (E1-6)

Scope 1 and 2 Emissions

Group-Wide (tCO₂eq)

GHG emissions	2025	2024 Recast ^(a)	2024
Gross Scope 1 GHG emissions	134,675	133,486	135,324
GHG emissions from regulated emission trading schemes (%)	2	n.a.	n.a.
Gross Scope 2 GHG emissions – location-based	101,417	108,620	110,435
Gross Scope 2 GHG emissions – market-based ^(b)	10,942	38,380	38,389
Total GHG emissions (Scope 1 & 2) – location-based	236,092	242,106	245,759
Total GHG emissions (Scope 1 & 2) – market-based	145,617	171,866	173,713

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) Guarantees of Origin or renewable energy certificates covered around 84% of purchased electricity within the Group-Wide scope in 2025.

Scope 1 and 2 Emissions

Focus Area^(a) (tCO₂eq)

GHG emissions	2025	2024 Recast ^(b)	2024
Gross Scope 1 GHG emissions	67,375	70,314	71,215
GHG emissions from regulated emission trading schemes (%)	5	n.a.	n.a.
Gross Scope 2 GHG emissions – location-based	78,371	84,085	85,775
Gross Scope 2 GHG emissions – market-based ^(c)	1,827	3,508.0	3,508
Total GHG emissions (Scope 1 & 2) – location-based	145,746	154,399	156,990
Total GHG emissions (Scope 1 & 2) – market-based	69,202	73,822	74,723

^(a) Emissions from diesel, LPG, and the car fleet are excluded.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(c) Guarantees of Origin or renewable energy certificates covered 100% of purchased electricity within the Focus Area scope in 2025.

Scope 3 Emissions
Group-Wide (tCO₂eq)

Type of activity	Scope 3 emissions category ^(a)	2025	2024
Upstream	1 - Purchased goods and services	3,874,768	3,968,982
	2 - Capital goods	—	—
	3 - Fuel- and energy-related activities (not included in Scope 1 or 2)	33,757	35,136
	4 - Upstream transportation and distribution	158,621	162,528
	5 - Waste generated in operations	—	—
	6 - Business travel	4,040	4,204
	7 - Employee commuting	39,196	32,184
	8 - Upstream leased assets	—	—
	Total upstream	4,110,382	4,203,034
Downstream	9 - Downstream transportation and distribution	—	—
	10 - Processing of sold products	—	—
	11 - Use of sold products ^(b)	46,069,631	52,330,813
	12 - End-of-life treatment of sold products	363,280	415,386
	13 - Downstream leased assets	—	—
	14 - Franchises	n/a	n/a
	15 - Investments	—	—
	Total downstream	46,432,911	52,746,199
	Total Scope 3 emissions	50,543,293	56,949,233

^(a) Scope 3 emissions are calculated using both primary and secondary data. In 2025, approximately 50% of Scope 3 emissions were calculated using primary data.

^(b) The 2024 figures were recalculated to reflect the implementation of a revised methodology in South America and were disclosed in line with ESRS 1 paragraph 7.1. For additional information, see the relevant 'Data Calculation Methodology' section.

Scope 1, 2, and 3 Emissions
Group-Wide (tCO₂eq)

GHG emissions	2025	2024 Recast ^(a)	2024
Gross Scope 1 and 2 GHG emissions – location-based	236,092	242,106	245,759
Gross Scope 1 and 2 GHG emissions – market based	145,617	171,866	173,713
Gross Scope 3 GHG emissions	50,543,293	56,949,233	56,949,233
Total GHG emissions – location-based	50,779,385	57,191,339	57,194,992
Total GHG emissions – market-based	50,688,910	57,121,099	57,122,946
Total GHG emissions – location-based – per net revenue (€ million)^(b)	3,498	3,741	3,681
Total GHG emissions – market-based – per net revenue (€ million)^(b)	3,492	3,736	3,676

^(a) The 2024 Recast column reports Scope 1 and Scope 2 figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) The revenues used to calculate the intensity ratio include discontinued operations, except in the case of recast data.

Scope 1 Emissions – Data Calculation Methodology

Regardless of the reporting scope (Group-Wide or Focus Area), Scope 1 emissions are the emissions generated by Iveco Group's consumption of fossil fuels for internal use and operations, including heating buildings, operating Group equipment, and running generators. As per Greenhouse Gas Emissions Inventory procedures, the following sources were excluded from the Scope 1 emissions inventory when classified as de minimis, i.e., their value was less than or equal to the threshold of 3% of a plant's CO₂eq emissions (location-based method):

- organic-based technical gas
- fugitive emissions, for example those generated by fixed appliances or when recharging vehicles' on-board air-conditioning compressors using HFC or HCFH refrigerants

- emissions from internal transport operations carried out using vehicles that are either Group-owned or leased from third parties
- fire suppression equipment that uses, and can release, greenhouse gases (e.g., CO₂eq, HFCs, F-gases)
- refrigerants
- direct methane (CH₄) and nitrous oxide (N₂O) emissions from fuel combustion.

At Iveco Group, the only sources of greenhouse gas (GHG) emissions, besides those deriving from energy consumption, are associated with the use of hydrofluorocarbon (HFC) compounds with global warming potential (GWP). These are present in equipment for air-conditioning, cooling, fire suppression, and manufacturing. The potential emissions from these substances (CO₂eq) are negligible compared with emissions from energy production: in fact, with an incidence of 0.2%, they fall outside the reporting scope.

Fleet car emissions were estimated based on average fuel consumption data from a representative sample of vehicles.

Some of the 2024 figures were recalculated – and reported separately as recast data – to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit and enable comparability with the 2025 reporting perimeter.

The 2019 base year figures (used for targets) were recalculated by adopting the same approach as for the 2024 figures to reflect the exclusion of the Group's former Fire Fighting Business Unit.

Some of the 2024 figures were restated following a more detailed analysis of car fleet energy emissions.

Scope 2 Emissions – Data Calculation Methodology

Regardless of the reporting scope (Group-Wide or Focus Area), Scope 2 emissions are indirect emissions associated with the purchase of energy (electricity, compressed air, and the electricity associated with the consumption of heating and cooling, combined heat and power (CHP), and district heating). For Scope 2 emissions accounting, Iveco Group applied the dual reporting system of the GHG Protocol Scope 2 Guidance, using both of its allocation methods across all Group plants:

- the location-based method, which reflects the average emissions intensity of the grids on which energy consumption occurs
- the market-based method, which reflects emissions from electricity that companies have actively chosen to purchase (or reflects their lack of choice).

Using the location-based method, global CO₂eq emissions from energy consumption were calculated using the specific emission coefficients (expressed in gCO₂eq/kWh) provided by the International Energy Agency (IEA), which are updated every 3 years.

Using the market-based method, the CO₂eq emissions from energy consumption were calculated using specific emission coefficients provided by the following sources:

- the Association of Issuing Bodies (AIB) 2024 European Residual Mix – to calculate emissions from electricity consumption at European sites
- IEA – to calculate emissions from: electricity consumption at extra-EU sites, global district heating, and cogeneration.

The CO₂eq emissions target set for the Focus Area refers to Scope 2 emissions calculated according to the market-based method.

Some of the 2024 figures were recalculated – and reported separately as recast data – to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit and enable comparability with the 2025 reporting perimeter.

The 2019 base year figures (used for targets) were recalculated by adopting the same approach as for the 2024 figures to reflect the exclusion of the Group's former Fire Fighting Business Unit.

Scope 3 Category 1 Emissions (from Purchased Goods and Services) – Data Calculation Methodology

In 2025, calculation methodology accuracy for Scope 3 Category 1 emissions was enhanced by introducing a hybrid approach that prioritises supplier-specific emission factors (EFs) and uses spend-based emission factors for the remaining categories.

Category 1 CO₂eq emissions were calculated using two complementary approaches: (i) supplier-specific calculations, where EFs were disclosed by the suppliers, and (ii) a residual spend-based method using updated EXIOBASE monetary EFs. The formulas applied were:

- **supplier-specific approach: Emissions = quantity (tons) × EF (tCO₂eq/ton)**
- **spend-based approach: Emissions = expenditure (€) × monetary EF (tCO₂eq/€).**

The value of purchased goods and services corresponds to the 2025 Annual Purchase Value (APV), while monetary EFs were sourced from EXIOBASE version 3.9.6, a detailed multi-regional, environmentally extended input-output (EEIO) database covering various economic sectors and geographies.

The revised methodology improved accuracy by combining two calculation streams, incorporating multiple dimensions.

The spend-based approach was used to map purchased goods and services to the most appropriate EXIOBASE activity categories, applying **region-specific EFs** by integrating the Country of Origin (COO) of purchased goods (i.e., the country where they were produced). This captures regional energy mixes, thereby reflecting the heterogeneity of Iveco Group's global procurement. Furthermore, the spend-based methodology increases granularity by assigning specific EFs based on the material description of each purchased good. This was accomplished by analysing the procurement database, mapping and associating each material description to a corresponding NACE code, and linking the latter to the relevant emission categories in EXIOBASE – resulting in a dual mapping approach that combines both material description and COO.

The methodology was then further refined by adjusting the EXIOBASE 2022 base year EFs to 2025 by incorporating inflation-adjusted values, applying International Monetary Fund (IMF) inflation rates for each geographic region. In addition, EFs were adjusted to reflect projected decarbonisation trends in the Organisation's sourcing countries, leveraging insights from the IEA's World Energy Outlook 2023. This ensures that external factors influencing emissions are duly considered.

The supplier-specific approach, on the other hand, was used to calculate a portion of emissions limited to a subset of 2025's steel purchases. This improves accuracy by moving beyond country-level averages to supplier/plant-specific values, better capturing process and technology differences and reflecting decarbonisation at the plants of Iveco Group's suppliers.

This updated methodology produces more precise and tailored emission estimates by incorporating country-specific manufacturing emissions and customised EFs based on the characteristics of purchased goods. Results combine spend-based calculations for the majority of purchases with supplier-specific calculations for a minority of steel emissions, reflecting steel's greater importance in the emissions profile and improving overall accuracy while maintaining full coverage.

In 2025, the Group carried out a preliminary assessment of indirect material purchases to determine their relative contribution to Scope 3 Category 1 emissions. Although their impact was found to be limited – with their contribution accounting for less than 5% of the category's total emissions – the Group intends to keep monitoring this data and evaluate its inclusion in future reporting cycles.

Scope 3 Category 2 Emissions (from Capital Goods Covered by the Relevant Target) – Data Calculation Methodology

The CO₂ emissions from the Group's capital goods were negligible compared to the total Scope 3 emissions.

Scope 3 Category 3 Emissions (from Fuel- and Energy-Related Activities not Included in Scope 1 or 2) – Data Calculation Methodology

The activities included in category 3 are:

- A. upstream emissions of purchased fuels
- B. upstream emissions of purchased electricity
- C. transmission and distribution (T&D) losses.

Total emissions were calculated as follows:

CO₂eq emissions (location-based) = CO₂eq emissions (A) + CO₂eq emissions (B) + CO₂eq emissions (C).

- For activity A, the average-data method (see GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions) was applied as follows:

Upstream CO₂eq emissions of purchased fuels = Σ (fuel consumed (e.g., kWh) × upstream fuel emission factor (kgCO₂eq/kWh)) – where upstream fuel emission factors = DEFRA emission factors.

- For activity B, the average-data method (see GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions) was applied as follows:

Upstream CO₂eq emissions of purchased electricity = Σ (electricity consumed (e.g., kWh) × fuel-cycle factor (gCO₂eq/kWh)) – where fuel-cycle factor = IEA emission factors.

- For activity C, the average-data method (see GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions) was applied as follows:

CO₂eq emissions from energy T&D losses = Σ (electricity consumed (kWh) × life cycle T&D emission factor (kgCO₂eq/kWh)).

Scope 3 Category 4 Emissions (from Upstream Transportation and Distribution) – Data Calculation Methodology

This category includes inbound, outbound, and spare parts logistics services outsourced by the Group to third parties.

The emissions within this category were measured based on the Greenhouse Gas Protocol (revised edition) for road transport, and on the IFEU Heidelberg method for sea and rail transport. The CO₂ emissions calculation methodology for **inbound transportation and distribution** varied depending on the different transportation modes, as described below.

- ROAD transport – To calculate the total CO₂eq emissions from road transport, the following information was considered: number of shipments, utilisation capacity (taxable weight of shipment), and distance travelled (in kilometres) for each truck. The first two sets of data were downloaded from the Supply Chain Management (SCM) information system. The third set of data was obtained by measuring distances according to a Point Map. The calculation took into consideration a 24-ton average taxable weight for each truck and different region-specific emission factors (as per the Greenhouse Gas Protocol). Based on the above, the emissions were calculated as follows: **(Σ (distance in km per truck) x taxable weight per shipment per truck x specific emission factors) / average taxable weight of each truck.**

- RAIL transport – To calculate the emissions from rail transport, the Group considered the following: a 24-ton average taxable weight per container (since trains are loaded/unloaded from trucks) and the number of trains and containers per route (information received periodically from the logistics services providers). The CO₂eq emissions were calculated as follows: **CO₂eq emissions per rail route per container⁽⁵⁶⁾ x weight moved.**
- SEA transport – To calculate the emissions from sea transport, the Group considered the following data downloaded from the Supply Chain Management (SCM) information system: number of routes and weight transported during the reporting period. The CO₂eq emissions were calculated as follows: **CO₂eq emissions per sea route per ton⁽⁵⁷⁾ x weight moved.**
- AIR transport – To calculate the emissions from air transport, the Group considered data received from its air service provider and checked by a dedicated internal team. The CO₂eq emissions were calculated as follows: **CO₂eq emissions factor per air shipment x weight moved (tons).**

The CO₂eq emissions calculation methodology for **outbound and spare parts transportation and distribution** varied depending on the different transportation modes, as described below.

- ROAD transport (outbound) – To calculate the emissions from outbound road transport, the following data was considered: the list of sold vehicles invoiced during the reporting period; the distance travelled (in kilometres) per transport leg according to a Point Map; the average load factor specific to each product; and different region-specific emission factors. The CO₂eq emissions were calculated as follows: **Σ (distance in km per transport leg / average load factor x specific emission factors).**
- ROAD transport (spare parts) – To calculate the total CO₂eq emissions from the transportation of spare parts by road, the Group considered the following data downloaded from the Supply Chain Management (SCM) information system: total cubic metres per route (total CBM) and distance travelled (in kilometres) per route according to a Point Map. The calculation also considered a 70-CBM average truck saturation and different region-specific emission factors. The total CO₂eq emissions were calculated as follows: **(total CMB / average truck saturation) x distance x specific emission factors.**
- RAIL transport – To calculate the emissions from rail transport, the Group considered the following: a 24-ton average taxable weight per container (since trains are loaded/unloaded from trucks) and the number of trains and containers per route (information received periodically from the logistics services providers). The CO₂eq emissions were calculated as follows: **CO₂eq emissions per rail route per container⁽⁵⁸⁾ x weight moved.**
- SEA transport – These emissions were measured using the same calculation methodology as for rail transport emissions, using data from logistics service providers on the number of ships per route. Depending on the route and the weight transported, CO₂eq emissions were then quantified using the IFEU Heidelberg method (EcoTransIT).

Scope 3 Category 5 Emissions (from Waste Generated in Operations) – Data Calculation Methodology

The CO₂eq emissions from waste generated in operations were negligible, comprising less than 0.05% of total Scope 3 emissions.

Scope 3 Category 6 Emissions (from Business Travel) – Data Calculation Methodology

The CO₂eq emissions from employees' work related air travel, managed directly through Iveco Group's headquarters, were calculated according to the GHG Protocol. The CO₂eq emissions from train travel (approximately 4,300 journeys in 2025) were estimated based on a representative sample route.

Scope 3 Category 7 Emissions (from Employee Commuting) – Data Calculation Methodology

The data within this category refers to 100% of Iveco Group employees. It was calculated for 5 sites in Italy (employing approximately 12,300 employees, representing approximately 35% of the global employee headcount), and then estimated for the sites outside Italy based on the average CO₂eq emissions per employee at the Italian sites.

Scope 3 Category 8 Emissions (from Upstream Leased Assets) – Data Calculation Methodology

This category includes powered industrial vehicles at plants, on-site trailer tractors, ICT equipment, and leased cars. It should be noted that leased assets that use electricity fall under the Group's Scope 2 emissions, while those that use natural gas or fossil fuel fall under its Scope 1 emissions.

Scope 3 Category 9 Emissions (from Downstream Transportation and Distribution) – Data Calculation Methodology

The CO₂eq emissions associated with distribution to end-customers not included in Category 4 or 11 were negligible compared to the total Scope 3 emissions.

⁽⁵⁶⁾ Data obtained from [EcoTransIT](#) considering average taxable weight per container.

⁽⁵⁷⁾ Data obtained from [EcoTransIT](#).

⁽⁵⁸⁾ Data obtained from [EcoTransIT](#).

Scope 3 Category 10 Emissions (from the Processing of Sold Products) – Data Calculation Methodology

The emissions within this category were calculated applying the average-data method⁽⁵⁹⁾ using the formula: **CO₂eq emissions = Σ (mass of sold intermediate product (number of engines) × emission factor of processing of sold products (kgCO₂eq/engine))**. Most of Iveco Group's products are ready for use when they leave its production sites. A proportion of FPT engines were supplied to external customers that sell trucks, buses, and light commercial vehicles and were installed in their products. To determine the CO₂eq emissions from the assembly of these engines, the specific CO₂eq emission factors were calculated based on the energy consumption involved in their assembly at Iveco Group's plants, specifically at the Annonay plant (France) for buses, the Madrid plant (Spain) for trucks, and the Suzzara plant (Italy) for light commercial vehicles. Based on the assumption that the assembly process is similar for customers, the total emissions were calculated as follows: **Σ (specific emission factors x number of engines sold)**. The CO₂eq emissions from the processing of sold products were negligible, with an incidence of less than 0.05% of total Scope 3 emissions.

Scope 3 Category 11 Emissions (from the Use of Sold Products) – Data Calculation Methodology

Iveco Group quantifies its CO₂ emissions from the use of sold products⁽⁶⁰⁾ by applying different calculation methodologies depending on geographic location.

In Europe, a well-to-wheel approach was used that is the **sum of tank-to-wheel and well-to-tank emissions**. 2022 was chosen as the base year for the relevant target following the introduction of new regulatory requirements and the updating of the sales forecasts of the Group's Strategic Business Plan. The tank-to-wheel emissions were measured based on the assessment of the Organisation's entire model range manufactured in Europe. Since the tank-to-wheel emissions of other greenhouse gases (GHG) at Iveco Group are less than 5% of its CO₂ emissions, and since biogenic CO₂ emissions are negligible, they were not included in the calculations. Diesel-, methane-, electric-, and hydrogen-powered versions were analysed for the following products: light commercial vehicles; medium- and heavy-duty trucks; and coaches and urban/intercity buses.

Production volumes were based on the Strategic Business Plan and the forecasts for 2030 of the individual Group brands. The average mileage by vehicle type was calculated according to the indications of the European Commission's latest proposal to amend EU CO₂ standards for trucks and buses. The average mileage for light commercial vehicles, on the other hand, was calculated using the Organisation's telematics and warranty data. For trucks, fuel consumption and CO₂ emissions were calculated using VECTO⁽⁶¹⁾, an official tool developed by the European Commission. For buses, they were calculated using an internal tool. For light commercial vehicles, they were calculated using the CO₂ emissions data of Brand IVECO's fleet of Daily vehicles, type-approved as per the homologation tests of the Worldwide Harmonised Light Vehicles Test Procedure (WLTP test cycles).

Iveco Group's well-to-tank emissions were measured based on information from accredited sources⁽⁶²⁾, according to which a weighted percentage of CO₂ emissions was assigned to each fuel type, taking into account fuel extraction, transport, refining, and distribution. Total annual CO₂ emissions were calculated as the well-to-wheel emissions from vehicles sold during the year multiplied by a 10-year lifetime estimate, determined based on internal data.

In South America, CO₂ emissions were also calculated according to a well-to-wheel approach, by location and by vehicle type. Tank-to-wheel emissions were calculated as CO₂eq emissions = Σ (number of vehicles manufactured x average annual mileage (km/year) x gCO₂/km), where mileage was based on historical maintenance agreements and CO₂/km was based on recognised product tests and consumption efficiency analysis. Well-to-tank emissions were calculated using the same accredited sources and weighted fuel-type factors described above. Total annual CO₂ emissions, on the other hand, were calculated by applying a 7- to 10-year lifetime estimate to the well-to-wheel emissions from vehicles manufactured during the year, with average consumption values and emission factors varying according to the fuel used (diesel, natural gas or biomethane). The above approach was implemented in South America for the first time in 2025, to ensure consistency with the methodology applied in Europe. As a result, the 2024 data was recalculated accordingly. The 2024 recalculated figure was 52,330,812.9 CO₂eq (against the 60,357,066.9 CO₂eq) reported prior to the restatement.

Specialty vehicles were not included in any calculations.

Scope 3 Category 12 Emissions (from the End-of-Life Treatment of Sold Products) – Data Calculation Methodology

The CO₂eq emissions from the end-of-life (EoL) treatment of vehicles were estimated by extrapolating sample-based results to the total volume of vehicles manufactured in Europe. Emissions were evaluated separately for three vehicle categories – light-duty vehicles (LDVs), heavy-duty vehicles (HDVs), and buses – using the following methodology:

- sample-based estimation: the sample vehicles included for each vehicle category were selected based on the availability of respective life cycle assessment (LCA) studies; these samples were used to estimate emissions from processes such as dismantling, recycling, and disposal, considering material composition and EoL practices
- extrapolation to the total volumes: the emissions per vehicle category, derived from the sample vehicles, were extrapolated to the total number of vehicles produced in that category

⁽⁵⁹⁾ See [GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions](#).

⁽⁶⁰⁾ See [Scope 3 category 11 of the GHG Protocol](#).

⁽⁶¹⁾ [Click here for more information on the Vehicle Energy Consumption Calculation Tool \(VECTO\)](#).

⁽⁶²⁾ U.S. Department of Agriculture's Foreign Agricultural Service (FAS); Infineum; Joint Research Centre (JRC); Centre for European Policy Studies (CEPS); International Energy Agency (IEA); European Biogas Association (EBA); Planète Énergies; U.S. Energy Information Administration (EIA); RTE; UN Environment Programme (UNEP); European Environment Agency (EEA); Agence de l'Environnement et de la Maîtrise de l'Énergie (ADEME); and Fuel Cells and Hydrogen Joint Undertaking (FCH JU).

- aggregation of results: total emissions were calculated as the sum of estimated emissions from light-duty vehicles, heavy-duty vehicles, and buses, ensuring comprehensive and consistent estimates across different vehicle types.

Scope 3 Category 13 Emissions (from Downstream Leased Assets) – Data Calculation Methodology

Iveco Group's emissions from downstream leased assets were included in category 11, and were measured using the latter's same calculation methodology and same emission factors.

Scope 3 Category 14 Emissions (from Franchises) – Data Calculation Methodology

The Group does not have franchises.

Scope 3 Category 15 Emissions (from Investments Emissions) – Data Calculation Methodology

Emissions from investments, if any, were considered negligible or included in other categories.

3.5.3 GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

In 2025, Brand FPT continued to offset the GHG emissions generated by its Turin Testing Centre (Italy), in pursuit of becoming a zero-impact testing facility. Around 8,850 tons of CO₂eq emissions generated by the facility were balanced to zero by supporting specific carbon offsetting initiatives, aimed at reducing deforestation and degradation and at preserving biodiversity through sustainable forest management practices, ultimately benefitting local communities. The carbon credits purchased are entirely voluntary and do not contribute to achieving CO₂ reduction targets or the net zero target. Furthermore, all purchased credits fall outside both the upstream and downstream value chain.

3.5.4 Internal carbon pricing (E1-8)

Own Operations

The Group is evaluating approaches to extend and improve the application of the internal carbon pricing (ICP) methodology, a strategic business tool for guiding investments to reduce CO₂ emissions. It should be noted that, in 2025, all identified projects received funding; therefore, the ICP did not lead to any project exclusions and was used solely for ranking projects in order of priority.

Projects are prioritised based on their ICP, favouring those that achieve greater emission reductions per euro invested.

In 2025, the methodology was applied to 26 projects to assist in the prioritisation of investments. Projects were ranked based on their calculated ICP values, and those with the lowest ICP were given precedence. The ICP was calculated as project investment per ton of estimated greenhouse gas emissions avoided over a 10-year project lifetime (€ invested / (tCO₂eq avoided x 10 years)). As the necessary financial resources were available, all identified projects were implemented during the year. The ICP values applied averaged €70 per ton of CO₂eq emissions avoided per year.

Some of the projects implemented in 2025 and their associated ICP values are described below:

- installation and aerodynamic adjustment of a fresh-air ventilation fan serving a PVC curing oven, including inverter-based control and airflow setpoint regulation (€17/tCO₂eq/year)
- replacement of an old burner with a new high-efficiency unit within the paint curing process (€95/tCO₂eq/year)
- replacement of a cataphoresis chiller with a heat pump to recover and supply both heating and cooling for industrial processes (€99/tCO₂eq/year).

These examples reflect the Group's commitment to decarbonisation, pursuing emissions reductions even beyond strictly economic criteria.

Supply chain

Iveco Group is advancing the implementation of internal carbon pricing (ICP) beyond its internal operations to progressively encompass the supply chain, embedding carbon considerations into procurement and sourcing decisions.

Within this framework, particular focus is placed on carbon-intensive materials, such as steel, and on the introduction of incentive mechanisms that recognise and reward the procurement of low-emission steel products through ICP. By internalising the cost of carbon and reflecting it in purchasing decisions, the Group aims to establish a clear price signal that drives supplier engagement, encourages technological innovation, and accelerates the transition toward lower-carbon supply chains.

4. POLLUTION OF AIR (E2)

4.1 APPROACH TO THE SUSTAINABILITY MATTER (IRO-1)

The Iveco Group materiality assessment identified *Pollution* as a material sustainability matter, linked to the ESRS E2 sub-topic 'Pollution of air'. The expected short-term impacts related to this sustainability matter were identified as negative and described by stakeholders as follows:

- "Air pollutants from manufacturing processes – including volatile organic compounds (VOCs), especially from painting, nitrogen oxides (NO_x), sulphur oxides (SO_x), and inorganic particulate matter (PM) – represent a threat to human health and the environment"
- "Air pollutants from the use phase of vehicles – including NO_x and PM – represent a threat to human health and the environment".

For more information, see 1.9 Identifying and Assessing Material Impacts, Risks, and Opportunities in this Sustainability Statement.

4.2 POLICIES RELATED TO AIR POLLUTION (E2-1)

4.2.1 Environmental Policy

The Iveco Group Environmental Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS E2 sub-topic 'Pollution of air', and supports the Group in reaching its sustainability targets and ambitions. Iveco Group considers air pollution to be of the utmost importance, as the release of air pollutants during vehicle use (e.g., nitrogen oxides (NO_x) and particulate matter (PM)) and in manufacturing processes (e.g., volatile organic compounds (VOCs) – especially from painting – NO_x, sulphur oxides (SO_x), and inorganic PM) poses a threat to human health and the environment. Furthermore, failure to comply with relevant regulations on air pollutants can lead to considerable penalties and reputational damage. The policy outlines Iveco Group's short-, medium-, and long-term commitments to responsibly managing its environmental aspects (including polluting emissions). It also explicitly reflects the Organisation's belief that efficient resource use and environmental impact reduction are crucial strategies in creating added value for both itself and the communities in which it operates. Iveco Group thus anticipates risks that could potentially impact the environment and human health by adopting a precautionary approach when designing products, overseeing manufacturing processes, defining logistics flows, and managing product end-of-life: namely, the precautionary principle introduced by the Rio Declaration on Environment and Development⁽⁶³⁾. This commitment extends to all stages of the upstream and downstream value chain: purchasing processes, product concept and development, operations, logistics and distribution, sales and after-sales, remanufacturing, and product end-of-life. The key measures include:

- reducing air emissions
- adopting an eco-design approach to minimise the environmental impact of vehicles by developing products that deliver industry-leading performance in terms of fuel efficiency as well as noise and polluting emissions.

Iveco Group also engages and partners with stakeholders to promote environmental care, increase understanding of environmental issues, and disseminate best practices, involving environmental experts from within and outside the Organisation. The Environmental Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. Iveco Group's Board of Directors endorses the policy's principles and oversees its implementation, the executive responsibility for which lies with the Senior Leadership Team (SLT), tasked with developing appropriate operational procedures and ensuring adequate allocation of resources and professional expertise. The policy, available on the corporate website, has been shared with all Group employees and senior management worldwide.

4.3 AIR POLLUTION ACTIONS AND RESOURCES (E2-2)

4.3.1 Our operations

One of Iveco Group's goals is to reduce its air emissions, which is why it applies advanced technologies to manufacturing processes, deemed critical to meeting its improvement targets. The Group's main air emissions are monitored, and results systematically recorded, using specific programmes and systems that verify compliance with existing regulations. There are currently no ozone-depleting substances⁽⁶⁴⁾ (only found in certain cooling, air conditioning, and climate control equipment) at any plants falling within the reporting scope.

In terms of volatile organic compound (VOC)⁽⁶⁵⁾ emissions, painting has the greatest environmental impact of all manufacturing processes at Iveco Group. Emissions of nitrogen oxides (NO_x), sulphur oxides (SO_x), and inorganic particulate matter (PM) from fossil fuel combustion are also monitored, since these pollutants can impact the climate, ecosystems, and human health.

The Group's approach to air pollution focuses on continuous management and control improvements to manufacturing processes, paired with targeted changes and upgrades at plant level.

⁽⁶³⁾ Principle 15 of the Rio Declaration on Environment and Development, approved by the United Nations in 1992.

⁽⁶⁴⁾ Ozone-depleting substances (ODS) are potentially harmful substances that contribute to the depletion of the ozone layer. The most significant and harmful are chlorofluorocarbons (CFCs), generally used as refrigerants, solvents, and propellants, and hydrochlorofluorocarbons (HCFCs), used to replace CFCs.

⁽⁶⁵⁾ Volatile organic compounds (VOC) include compounds such as hydrocarbons, containing only carbon and hydrogen, as well as compounds also containing oxygen, chlorine or other elements.

The plant in Valladolid (Spain) installed a new FlyDry system – an automatic drying robot – in its assembly finishing area, replacing its previous infrared equipment. The new system uses catalytic infrared lamps that enable instant paint curing with precise temperature control, ensuring thorough drying. This €130,000 investment led to a reduction in VOC emissions, owing to the high-solid 2K paint required by the new system. The upgrade also delivered energy savings while improving both product quality and operational efficiency.

4.3.2 Our products

Iveco Group has a dual strategy for reducing its emissions: one is to develop advanced solutions to minimise pollutants from conventional fuel combustion – specifically, nitrous oxides (NO_x) and particulate matter (PM) – the other is to make its powertrains compatible with renewable fuels, thereby cutting CO₂ emissions.

In terms of minimising air pollutants, Brand FPT's **diesel engines** comply with the latest and most stringent international regulations on air quality, such as the European emission standards Euro 6, Euro VI, and Stage V. The technologies used by FPT to reduce pollutant emissions focus on improving both combustion – through the adoption of the most cutting-edge high-pressure injection systems, advanced fluid dynamics, and exhaust gas recirculation (EGR) – and the after-treatment of exhaust gases using established solutions – such as Selective Catalyst Reduction (SCR) to comply with NO_x limits, and Diesel Particulate Filters (DPF) to comply with PM limits. These technologies are combined using a holistic approach aimed at maximising CO₂ emission reductions to fully meet specific regulatory requirements while safeguarding the environment. FPT's SCR technology, first introduced in 2005, has been continually upgraded through the years, including by leveraging the cross-fertilisation of on-highway and off-highway applications. This has led to the development and launch of two advanced systems: HI-eSCR, which optimises combustion and fuel consumption, requires less frequent DPF regeneration, and uses Diesel Exhaust Fluid (DEF) to cut NO_x emissions; and HI-eSCR2, specifically designed for agriculture and construction applications. FPT's SCR systems are currently used in on- and off-highway and power generation applications and feature in more than 75% of the diesel engines produced by the Brand as at year-end 2025.

Regarding carbon-free fuels such as hydrogen, Iveco Group has continued to develop its XCURSOR 13 engine platform, centred on a hydrogen direct injection system to maximise combustion efficiency. The platform, launched in 2022, is FPT's first multi-fuel single-base engine designed to run on diesel or methane, with hydrogen planned for the future. Conceived to be compatible with a wide range of market requirements, the engine is especially relevant in Europe where hydrogen internal combustion engine (H2-ICE) technologies are considered complementary to both battery electric vehicles (BEV) and fuel cell electric vehicles (FCEV) in achieving the ultimate goal of zero emission vehicles (ZEV). As regards powertrain compatibility with renewable fuels (see 3.4.2.2 Use of Sold Products), Iveco Group currently offers a range of solutions fully compatible with biomethane and with EN 15940-compliant XTL diesel fuels, such as commercial hydrotreated vegetable oils (HVO). FPT is also conducting trials on engines capable of running on 100% bioethanol, a renewable biofuel widely used in countries such as Brazil.

The Group further enhances the environmental performance of its active fleets through advanced connectivity. The Iveco Group Control Room supports customers by collecting and analysing real-time data from the on-board telematic systems of connected vehicles. By monitoring key parameters, the system provides proactive recommendations for vehicle maintenance, ensuring optimal operation and minimising downtime. The service also delivers advanced fuel optimisation guidance, leveraging sophisticated algorithms that analyse data from connected fleet vehicles to predict fuel consumption across various missions and conditions. Additionally, it offers actionable recommendations to enhance vehicle performance. These insights address factors such as driver behaviour, eco-features, tyre pressure, potential vehicle issues affecting fuel economy, and the impact of trailers. For more information, see 10.3 Engaging End Users on Impacts in this Sustainability Statement.

4.4 AIR POLLUTION TARGETS (E2-3)

4.4.1 Our operations

Iveco Group's voluntary commitment to reducing air pollution is reflected in the sustainability **target** included in its Sustainability Plan and that applies to the scope of the Focus Area (as defined in 1.1 General Basis for the Preparation of the Sustainability Statement): to achieve a 14% decrease in volatile organic compound (VOC) emissions per square metre painted at Group plants worldwide (Focus Area) by year-end 2026 (compared to 2019⁽⁶⁶⁾). In 2025, within the scope of the Focus Area, Iveco Group achieved a 32.8% decrease in VOC emissions (compared to the 2019 base year). For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

While specifically focusing on reducing VOCs in paint processes across the Organisation's plants, in line with the Iveco Group Environmental Policy, the above target also aims to develop new best practices and to identify and address plant-level activities that may pose a threat to the environment.

⁽⁶⁶⁾ The base year (2019) VOC emissions are equal to 38.3 g/m². The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

There are no targets set for nitrogen oxides (NO_x), sulphur oxides (SO_x), or inorganic particulate matter (PM), although their emissions are monitored to check compliance with the policy. Levels are calculated based on the annual consumption of fossil fuels in production processes, using the corresponding emission factors.

4.4.2 Our products

Iveco Group's commitment to reducing air pollution is demonstrated by its ongoing compliance with current regulations such as Euro 6, Euro VI, and Stage V standards. Additionally, the Group is already preparing for the implementation of upcoming regulations, such as the Euro 7 standard: for light-duty vehicles, this will take effect from November 2026 for new type approvals and from November 2027 for new registrations; for heavy-duty vehicles, it will apply from May 2028 for new type approvals and May 2029 for new registrations. In this regard, internal targets have been set to ensure compliance with regulatory requirements.

The planned actions to achieve compliance with Euro 7 standards, as well as the allocated resources, are part of the Organisation's R&D activities and, as such, are not subject to public disclosure. These activities are in line with the Group's Environmental Policy and aim to cut air pollutants from all internal combustion engines powering Iveco Group vehicles.

4.5 AIR POLLUTION (E2-4)

4.5.1 Our operations

With regard to quantitative KPIs and metrics for air pollution, the main data and indicators are provided in the following tables.

Volatile Organic Compounds (VOC) Emissions

Group-Wide

	2025	2024 Recast ^(a)	2024
Average VOC emissions (g/m ²)	25.7	27.1	27.2
Total VOC emissions (tons)	670.9	688.7	691.4

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Volatile Organic Compounds (VOC) Emissions^(a)

Focus Area

	2025	2024 Recast ^(b)	2024
Average VOC emissions (g/m ²)	25.7	27.1	27.2
Total VOC emissions (tons)	670.4	688.6	691.3

^(a) The base year (2019) VOC emissions are equal to 38.3 g/m². The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

NO_x, SO_x, and Dust Emissions

Group-Wide (tons)

	2025	2024 Recast ^(a)	2024
Nitrogen oxides (NO _x)	278.5	284.6	287.9
Sulphur oxides (SO _x)	41.5	32.6	33.2
Dust	3.6	2.8	2.9

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

NO_x, SO_x, and Dust Emissions
Focus Area (tons)

	2025	2024 Recast ^(a)	2024
Nitrogen oxides (NO _x)	178.9	186.6	189.2
Sulphur oxides (SO _x)	18.6	17.2	17.6
Dust	1.6	1.5	1.5

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Data Calculation Methodology

NO_x, SO_x, and dust emissions were calculated based on the annual consumption of fossil fuels in production processes, using the corresponding emission factors.

VOC emissions were calculated based on a mass balance for each plant, taking into account all painting products used in the painting cycles.

Most of the reported data on NO_x, SO_x, and dust emissions (approximately 93%) was derived from primary sources, covering the scope of the Focus Area as well as some additional sites. When reporting on the full Group-Wide scope, the additional data (7%) was based on estimates, using comparable data from similar monitored sites as a reference and considering factors such as site size and indicators such as the number of employees.

The Group's VOC emissions are generated exclusively by its manufacturing sites, and all of the relevant data was collected from primary sources.

Normalised production unit indexes were defined to track medium- and long-term environmental performance trends. This approach emphasises performance improvements due to process optimisation rather than fluctuations in production volumes. VOC emissions indicators were calculated on the total area painted, defined as the total area subjected to coating with paint products, expressed in square metres.

Data on air pollution from Group operations was compiled individually (using ESGeo or similar systems) for each site based on their respective qualitative and quantitative data.

The 2024 figures were recalculated – and reported separately as recast data – to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit and enable comparability with the 2025 reporting perimeter.

The 2019 base year figures (used for targets) were recalculated adopting the same approach as for the 2024 figures.

4.5.2 Our products

Vehicle emissions are tested both on the bench and on the road to ensure compliance with type approval regulations in the countries where the vehicles are sold. Additionally, when required, in-service conformity emission tests using a Portable Emissions Measurement System (PEMS) are carried out to verify compliance under real-world operating conditions.

5. WATER RESOURCES (E3)

5.1 APPROACH TO THE SUSTAINABILITY MATTER (IRO-1)

Iveco Group's materiality assessment identified *Water* as a material sustainability matter, linked to the ESRS E3 sub-topic 'Water' and its sub-sub-topics 'Water consumption', 'Water withdrawals', and 'Water discharges'.

The expected short-term impacts of this sustainability matter were found to be negative, summarised by stakeholders as follows:

- “The use of water in Iveco Group's production processes, especially in water-stressed areas, contributes to the depletion of natural resources”
- “The use of water in Iveco Group's supply chain, especially in water-stressed areas, contributes to the depletion of natural resources”.

For more information, see 1.9 Identifying and Assessing Material Impacts, Risks, and Opportunities in this Sustainability Statement.

5.2 POLICIES RELATED TO WATER (E3-1)

5.2.1 Environmental Policy

The Iveco Group Environmental Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS E3 sub-sub-topics 'Water consumption', 'Water withdrawals', and 'Water discharges', and supports the Group in reaching its sustainability targets and ambitions. Iveco Group considers water consumption, withdrawals, and discharges to be of the utmost importance, as the use of water in its production processes and supply chain, especially in water-stressed areas, contributes to the depletion of natural resources. The policy outlines Iveco Group's short-, medium-, and long-term commitments to responsibly managing its environmental aspects (including water and natural resources). It also explicitly reflects the Organisation's belief that efficient resource use and environmental impact reduction are crucial strategies in creating added value for both itself and the communities in which it operates. Iveco Group thus anticipates risks that could potentially impact the environment and human health by applying a precautionary approach when designing products, overseeing manufacturing processes, defining logistics flows, and managing product end-of-life: namely, the precautionary principle introduced by the Rio Declaration on Environment and Development⁽⁶⁷⁾. This commitment extends to all stages of the upstream and downstream value chain: purchasing processes, product concept and development, operations, logistics and distribution, sales and after-sales, remanufacturing, and product end-of-life. The key measures include:

- reducing freshwater withdrawals
- increasing water recycling, especially in areas where water availability is critical to the surrounding environment and population
- minimising the discharge of hazardous substances that could affect water supplies.

Iveco Group also engages and partners with stakeholders to promote environmental care, increase understanding of environmental issues, and disseminate best practices, involving environmental experts from within and outside the Organisation. The Environmental Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. Iveco Group's Board of Directors endorses the policy's principles and oversees its implementation, the executive responsibility for which lies with the Senior Leadership Team (SLT), tasked with developing appropriate operational procedures and ensuring adequate allocation of resources and professional expertise. The policy, available on the corporate website, has been shared with all Group employees and senior management worldwide.

5.3 WATER ACTIONS AND RESOURCES (E3-2)

From a global perspective, Iveco Group firmly believes that committing to sustainable water management is essential given the growth in world population and the resulting increase in water demand, accompanied as it is by a marked and increasingly widespread scarcity of water resources. From a business angle, the Group recognises the economic importance of effective water management to counter the potential risks that water scarcity and related challenges pose for the continuity of both the supply chain and industrial processes. Lastly, from a manufacturing standpoint, the proper management of water resources is seen as a driver of innovation and improvement within production processes.

Iveco Group draws water mainly for industrial use, specifically for painting, cooling, washing, and machining, and strives to improve water efficiency across all its processes (regional and environmental conditions permitting). Efforts are made not only at Group level, but also at individual plant level, through water use assessments to identify opportunities for water efficiency improvements, and through local initiatives to reduce water consumption and wastewater volumes without compromising quality standards.

The Organisation's approach to water management focuses on increasing the use of recycled water to reduce withdrawals from external sources, thus improving water independence while increasing water availability for local communities. From a broader perspective, given that water is a shared resource, the Group recognises the importance of collaborating with other stakeholders to improve water management and hence contribute to community health and wellbeing, especially in water-stressed areas (see 5.3.1 Plants in Water-Stressed Areas).

In this regard, all 20 of the Group's ISO 14001 certified plants within the scope of the Focus Area⁽⁶⁸⁾ are required to measure their impact on water resources as an integral part of their environmental assessment and, as a result, have a water management plan in place.

⁽⁶⁷⁾ Principle 15 of the Rio Declaration on Environment and Development, approved by the United Nations in 1992.

⁽⁶⁸⁾ For the complete list of plants, see 1.1 General Basis for the Preparation of the Sustainability Statement.

As per Iveco Group's Water Management Guidelines, all sites are required to:

- analyse their water consumption and withdrawal/distribution management systems to identify and eliminate waste and/or leaks
- identify specific performance indicators and benchmarks for the different manufacturing processes
- identify the manufacturing processes with the greatest impact on water resources, and prioritise the necessary interventions
- adopt changes and technological innovations to boost water use efficiency, reduce consumption, and improve the quality of wastewater
- promote water recirculation within individual manufacturing processes and its reuse in multiple processes
- raise staff awareness of responsible water use, both at work and at home.

In 2025, the Group carried out **several initiatives** to obtain a detailed picture of water consumption at plant level and reduce its plants' water footprint, thereby generating annual cost savings. In Europe, the plants in Suzzara and Turin (Italy) conducted a water balance analysis that led to several improvements being made to the water distribution network, including the installation of new water meters and the detection and repair of leaks. The Suzzara plant also invested €48,600 to install a multi-step filtration and ultrafiltration system for water reuse at its rain test facility, increasing the water recycling index and reducing primary water withdrawal by approximately 480 cubic metres. Meanwhile, the plant in Valladolid (Spain) improved the performance of its water demineralised system by 40% by replacing its ion exchange resins, which has reduced the frequency of regeneration cycles along with the associated rinsing-water requirements. This investment of €20,700 is expected to cut water consumption by approximately 140,000 cubic metres annually. In South America, the Defence plant in Sete Lagoas (Brazil) replaced water piping, previously underground, with an above-ground configuration across the entire network. For a total investment of approximately €4,100, this structural change facilitates frequent visual inspections of all piping, supporting preventive and corrective maintenance as well as the prompt detection of potential leaks.

In addition to implementing ad hoc initiatives to promote responsible water withdrawal, it is extremely important to the Group to safeguard the water bodies that receive the effluents from its industrial processes – as reflected in its efforts to exceed local wastewater requirements. To this end, Iveco Group's sites rely on established operating procedures to ensure that the wastewater discharged during their activities meets required quality standards. Indeed, the **3 wastewater quality indicators** applied by the Organisation – biochemical oxygen demand (BOD)⁽⁶⁹⁾, chemical oxygen demand (COD)⁽⁷⁰⁾, and total suspended solids (TSS)⁽⁷¹⁾ – showed that its performance in 2025 was fully compliant with applicable local limits. This result was achieved partly thanks to the adoption of specific wastewater treatment systems (operated either in-house or by specialised industry partners) that treat the water discharged from the plants; this mainly involves physical and chemical processes and, depending on wastewater quality, biological treatment.

As regards **substances of concern** (SoC), these are defined by local law and restricted accordingly, and are therefore considered a priority; consequently, each plant is required to monitor and treat SoC discharges as per local provisions. It should be noted that the Group's plants do not use wastewater generated by other organisations, nor do they channel their effluents for reuse by other organisations.

5.3.1 Plants in water-stressed areas

A few Iveco Group plants were classified in 2022 as being located in areas considered sensitive in terms of availability and use of water resources (so-called water-stressed areas⁽⁷²⁾): the plant in Brescia and the two in Foggia (all in Italy) and the plants in Madrid and Valladolid (Spain). They were identified using the WRI⁽⁷³⁾ Aqueduct Water Risk Atlas, a mapping tool recognised by the major organisations in the field that shows which countries contain water-stressed areas. It is used by Iveco Group each year to pinpoint the plants where specific water conservation and protection measures are needed. Accordingly, the aforementioned plants focused on reducing their water consumption throughout the year by implementing targeted measures and initiatives and by setting specific improvement targets.

5.4 WATER TARGETS (E3-3)

Iveco Group's voluntary commitment to reducing water consumption is reflected in the following sustainability **targets** included in the Sustainability Plan and that apply within the scope of the Focus Area as defined in 1.1 General Basis for the Preparation of the Sustainability Statement:

- 75% of industrial water to be recycled at Group plants worldwide (Focus Area) by year-end 2026
- a 15% reduction in water withdrawal per production unit⁽⁷⁴⁾ at Group plants worldwide (Focus Area) by year-end 2026 (compared to 2019⁽⁷⁵⁾)

⁽⁶⁹⁾ Biochemical oxygen demand (BOD) is the total mass of oxygen used by microorganisms, over a specific time period at 20°C, to decompose (oxidise) the organic material present in a litre of water (normally expressed in mg/l). The standard test period for BOD is 5 days (BOD5).

⁽⁷⁰⁾ Chemical oxygen demand (COD), expressed in milligrams per litre (mg/l), is the quantity of oxygen required for the complete chemical oxidation of organic and inorganic compounds present in a sample of water.

⁽⁷¹⁾ Total suspended solids (TSS) is the parameter used in water quality management and in water purification to indicate the quantity of solids present in suspension, which can be separated by vigorous mechanical means such as vacuum filtration or centrifugation of the water sample.

⁽⁷²⁾ Areas with a baseline water stress that is high (40-80%) or extremely high (>80%), according to the WRI Aqueduct Risk Atlas tool, as at 24 May 2022.

⁽⁷³⁾ World Resources Institute.

⁽⁷⁴⁾ The production unit corresponds to the hour of production. Total manufacturing hours are used to calculate the normalised production unit indicator. For the definition of total manufacturing hours, see 1.1 General Basis for the Preparation of the Sustainability Statement.

⁽⁷⁵⁾ The base year (2019) water withdrawal is equal to 0.110 m³/hour of production. The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

- a 10% reduction in water withdrawal per production unit at the plant in Brescia (Italy) by year-end 2026 (compared to 2019⁽⁷⁶⁾)
- a 5% reduction in water withdrawal per production unit at the Powertrain plant in Foggia (Italy) by year-end 2026 (compared to 2019⁽⁷⁷⁾)
- a 22% reduction in water withdrawal per production unit at the plant in Madrid (Spain) by year-end 2026 (compared to 2019⁽⁷⁸⁾)
- a 10% reduction in water withdrawal per production unit at the plant in Valladolid (Spain) by year-end 2026 (compared to 2019⁽⁷⁹⁾).

In 2025, within the scope of the Focus Area, the Organisation recycled 76.9% of its industrial water and reduced its total water withdrawal per production unit by 17.3% at Group plants worldwide (compared to the 2019 base year).

The above water withdrawal targets are linked to water consumption, defined as the amount of water entering the Group's perimeter that is not discharged back into external water systems or bodies, because the withdrawal reduction measures in place (i.e., improvements to water-intensive processes and leak detection and repairs) lower the water balance and, consequently, overall consumption.

While specifically focusing on reducing water consumption across the Organisation's manufacturing plants, in line with the Iveco Group Environmental Policy, the above targets also aim to develop new best practices and to identify and address plant situations or activities that may pose a threat to the environment. For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

5.5 WATER CONSUMPTION (E3-4)

With regard to quantitative KPIs and metrics for water consumption, the main data and indicators are provided in the following tables.

Water Withdrawal^(a) per Production Unit

Focus Area (m³/hour of production^(b))

	2025	2024 Recast ^(c)	2024
Water withdrawal	0.091	0.094	0.093

^(a) The base year (2019) water withdrawal is equal to 0.110 m³/hour of production. The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(b) Total manufacturing hours are used to calculate the indicator per hour of production. For the definition of total manufacturing hours, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(c) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Water Storage

Group-Wide (thousands of m³)

	2025	2024 Recast ^(a)	2024
Water stored	29	30	30
Changes in water storage	(1)	—	—

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Water Storage

Focus Area (thousands of m³)

	2025	2024 Recast ^(a)	2024
Water stored	27	28	28
Changes in water storage	(1)	—	—

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

⁽⁷⁶⁾ The base year (2019) water withdrawal is equal to 0.257 m³/hour of production.

⁽⁷⁷⁾ The base year (2019) water withdrawal is equal to 0.080 m³/hour of production.

⁽⁷⁸⁾ The base year (2019) water withdrawal is equal to 0.036 m³/hour of production.

⁽⁷⁹⁾ The base year (2019) water withdrawal is equal to 0.087 m³/hour of production.

Water Intensity^(a)

Group-Wide (m³/€ million)

	2025	2024 Recast ^(b)	2024
Water intensity	173.1	146.9	147.5

^(a) Water intensity is measured as the total water consumption (expressed in m³) across Iveco Group's own operations per net revenue (expressed in € million). The revenues used to calculate the intensity ratio include discontinued operations, except in the case of recast data.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Water Intensity^(a)

Focus Area (m³/€ million)

	2025	2024 Recast ^(b)	2024
Water intensity	89.6	77.5	77.8

^(a) Water intensity is measured as the total water consumption (expressed in m³) across Iveco Group's own operations per net revenue (expressed in € million). The revenues used to calculate the intensity ratio include discontinued operations, except in the case of recast data.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Water Withdrawal, Discharge, and Consumption

Group-Wide (thousands of m³)

	2025		2024 Recast ^(a)		2024	
	All areas	of which in water-stressed areas ^(b)	All areas	of which in water-stressed areas ^(b)	All areas	of which in water-stressed areas ^(b)
Withdrawal						
Groundwater	3,509	382	3,489	419	3,523	437
Third-party water	1,145	341	1,106	342	1,147	343
of which municipal water supply	1,145	341	1,106	342	1,147	343
Surface water	14	—	15	—	15	—
of which rainwater	3	—	5	—	5	—
Seawater	—	—	—	—	—	—
Produced water	—	—	—	—	—	—
Total water withdrawal	4,668	723^(c)	4,610	761	4,685	780
Discharge						
Surface water	344	102	408	120	409	122
Third-party water	1,805	260	1,954	246	1,982	246
Seawater	—	—	—	—	—	—
Groundwater	6	—	2	—	2	—
Total water discharge	2,155	362	2,364	366	2,393	368
Consumption						
Total water consumption^(d)	2,513	361	2,246	395	2,292	412

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) Areas with a baseline water stress that is high (40-80%) or extremely high (>80%), according to the WRI Aqueduct Risk Atlas tool, as at 24 May 2022. The analysis considers only manufacturing sites.

^(c) The total water withdrawal in water-stressed areas corresponds to 15% of the Group's total water withdrawal.

^(d) Calculated as total water withdrawal minus total water discharge.

Water Withdrawal, Discharge, and Consumption
Focus Area (thousands of m³)

	2025	2024 Recast ^(a)	2024
Withdrawal			
Groundwater	1,824	1,878	1,906
Third-party water	865	846	877
of which municipal water supply	865	846	877
Surface water	11	10	10
of which rainwater	—	—	—
Seawater	—	—	—
Produced water	—	—	—
Total water withdrawal	2,700	2,734	2,793
Discharge			
Surface water	341	408	409
Third-party water	1,053	1,141	1,175
Seawater	—	—	—
Groundwater	5	—	—
Total water discharge	1,399	1,549	1,584
Consumption			
Total water consumption^(b)	1,301	1,185	1,209

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) Calculated as total water withdrawal minus total water discharge.

Water Recycling^(a) Index

Group-Wide (thousands of m³)

	2025	2024 Recast ^(b)	2024
Total water requirement	12,376	11,348	11,423
of which covered by recycling	7,708	6,738	6,738
of which water withdrawal	4,668	4,610	4,685
Water recycling index^(c) (%)	62.3	59.4	59.0

^(a) Water recycling includes water reused.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(c) The recycling index is calculated as a percentage of the total water requirement.

Water Recycling^(a) Index

Focus Area (thousands of m³)

	2025	2024 Recast ^(b)	2024
Total water requirement	10,027	9,439	9,499
of which covered by recycling	7,327	6,705	6,706
of which water withdrawal	2,700	2,734	2,793
Water recycling index^(c) (%)	73.1	71.0	70.6

^(a) Water recycling includes water reused.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(c) The recycling index is calculated as a percentage of the total water requirement.

Industrial Water Recycling^(a) Index

Group-Wide (thousands of m³)

	2025	2024 Recast ^(b)	2024
Industrial water requirement	11,638	10,629	10,647
of which covered by recycling	7,708	6,738	6,738
of which water withdrawal	3,930	3,891	3,909
Industrial water recycling index^(c)(%)	66.2	63.4	63.3

^(a) Industrial water recycling includes industrial water reused.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(c) The industrial water recycling index is calculated as a percentage of the total industrial water requirement.

Industrial Water Recycling^(a) Index

Focus Area (thousands of m³)

	2025	2024 Recast ^(b)	2024
Industrial water requirement	9,533	8,958	8,977
of which covered by recycling	7,327	6,705	6,705
of which water withdrawal	2,206	2,253	2,272
Industrial water recycling index^(c)(%)	76.9	74.9	74.7

^(a) Industrial water recycling includes industrial water reused.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(c) The industrial water recycling index is calculated as a percentage of the total industrial water requirement.

Plants Located in Water-Stressed Areas^(a)

Group-Wide

Plant (Country)	2025 Discharge water quality (mg/l)	2019 Water withdrawal per production unit (m ³ /hour of production ^(b))	2025 Water withdrawal per production unit (m ³ /hour of production ^(b))	Reduction target ^(c) (2026 vs 2019 ^(d))
Brescia (Italy)	BOD: 20 COD: 33 TSS: 7	0.257	0.229	-10%
Foggia Powertrain (Italy)	BOD: 43 COD: 154 TSS: 123	0.080	0.095	-5%
Foggia Bus (Italy)	BOD: 43 COD: 154 TSS: 123	n/a ^(e)	0.025	n/a ^(e)
Madrid (Spain)	BOD: 60 COD: 174 TSS: 49	0.036	0.015	-22%
Valladolid (Spain)	BOD: 70 COD: 109 TSS: 34	0.087	0.091	-10%

^(a) Areas with a baseline water stress that is high (40-80%) or extremely high (>80%), according to the WRI Aqueduct Risk Atlas tool, as at 24 May 2022.

^(b) Total manufacturing hours are used to calculate the indicator per hour of production. For the definition of total manufacturing hours, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(c) Refers to water withdrawal per production unit (m³/hour of production). Total manufacturing hours are used to calculate the indicator per hour of production. For the definition of total manufacturing hours, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(d) For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(e) The plant started operating in 2023.

Quality of Water Discharges

Group-Wide (milligram/litre)

	2025	2024 Recast ^(a)	2024
Biochemical oxygen demand (BOD)	66.9	59.4	59.4
Chemical oxygen demand (COD)	175.3	179.3	179.3
Total suspended solids (TSS)	78.9	60.2	60.2

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Quality of Water Discharges
Focus Area (milligram/litre)

	2025	2024 Recast ^(a)	2024
Biochemical oxygen demand (BOD)	67.0	59.5	59.5
Chemical oxygen demand (COD)	175.5	196.1	196.1
Total suspended solids (TSS)	79.2	60.5	60.5

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Data Calculation Methodology

The Group-Wide reporting scope includes all water withdrawals by both manufacturing and non-manufacturing sites. The Focus Area reporting scope includes solely water withdrawals directly related to the plants' manufacturing processes. This excludes research and development, non-production-related administrative tasks, after-sales, shipping, activities managed by third parties, and any other operations not directly or indirectly linked to production. Most of the reported data (approximately 99%) was derived from primary sources, covering the scope of the Focus Area as well as some additional sites.

When reporting on the full Group-Wide scope, the additional data (1%) was based on estimates, using comparable data from similar monitored sites as a reference and considering factors such as site size and indicators such as the number of employees.

Normalised production unit indexes were defined specifically to track medium- and long-term environmental performance trends. This approach emphasises performance improvements due to process optimisation rather than fluctuations in production volumes. Performance indicators were calculated on the total number of manufacturing hours, defined as the hours of presence of hourly employees within the manufacturing scope required to manufacture a product.

Environmental data was compiled individually (using ESGeo or similar systems) for each site based on their respective qualitative and quantitative data.

Iveco Group's wastewater quality indicators – biochemical oxygen demand (BOD), chemical oxygen demand (COD), and total suspended solids (TSS) – correspond to the average concentrations measured at each plant's effluent discharge point and weighted according to the respective volumes discharged. For each plant, calculations were based on the highest BOD, COD, and TSS concentrations measured during the year under normal operating conditions.

The 2024 figures were recalculated – and reported separately as recast data – to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit and enable comparability with the 2025 reporting perimeter.

The 2019 base year figures (used for targets) were recalculated adopting the same approach as for the 2024 figures.

6. RESOURCE USE AND CIRCULAR ECONOMY (E5)

6.1 APPROACH TO THE SUSTAINABILITY MATTER (IRO-1)

Iveco Group's materiality assessment identified *Circular economy* as a material sustainability matter, linked to the ESRS E5 sub-topics 'Resources inflows, including resource use' and 'Waste'. The expected short-term impacts of this sustainability matter were identified as negative and described by stakeholders as follows:

- for 'Resources inflows, including resource use': "The use of products made of virgin materials (e.g., steel, aluminium) following a linear product design contributes to the depletion of natural resources"
- for 'Waste': "The production of waste in Iveco Group's operations represents a threat to human health and the environment".

For more information, see 1.9 Identifying and Assessing Material Impacts, Risks, and Opportunities in this Sustainability Statement.

6.2 POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY (E5-1)

6.2.1 Environmental Policy

The Iveco Group Environmental Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS E5 sub-topics 'Resources inflows, including resource use' and 'Waste', and supports the Group in reaching its sustainability targets and ambitions. Iveco Group considers resource inflows, resource use, and waste to be of the utmost importance, as manufacturing products from virgin materials (e.g., steel, aluminium) according to a linear product design contributes to the depletion of natural resources, while the production of waste in Group operations poses a threat to human health and the environment. Furthermore, supply shortages of key components/raw materials or semi-finished products can lead to potential manufacturing disruptions. The policy outlines Iveco Group's short-, medium-, and long-term commitments to responsibly managing its environmental aspects (particularly energy, water and natural resources, raw materials, hazardous substances, polluting emissions, and waste). It also explicitly reflects the Organisation's belief that efficient resource use and environmental impact reduction are crucial strategies in creating added value for both itself and the communities in which it operates. Iveco Group thus anticipates risks that could potentially impact the environment and human health by applying a precautionary approach when designing products, overseeing manufacturing processes, defining logistics flows, and managing product end-of-life: namely, the precautionary principle introduced by the Rio Declaration on Environment and Development⁽⁸⁰⁾. This commitment extends to all stages of the upstream and downstream value chain: purchasing processes, product concept and development, operations, logistics and distribution, sales and after-sales, remanufacturing, and product end-of-life. The key measures include:

- prioritising renewable and recycled materials to reduce raw material use
- reducing hazardous waste generation by prioritising a circular approach to waste management (reduction, reuse, recycling, recovery, waste to energy conversion), with waste treatment as a last resort
- adopting an eco-design approach to minimise the environmental impact of vehicles by developing products that deliver industry-leading performance in terms of fuel efficiency, noise and polluting emissions, and recoverability rates.

Iveco Group also engages and partners with stakeholders to promote environmental care, increase understanding of environmental issues, and disseminate best practices, involving environmental experts from within and outside the Organisation. The Environmental Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. Iveco Group's Board of Directors endorses the policy's principles and oversees its implementation, the executive responsibility for which lies with the Senior Leadership Team (SLT), tasked with developing appropriate operational procedures and ensuring adequate allocation of resources and professional expertise. The policy, available on the corporate website, has been shared with all Group employees and senior management worldwide.

⁽⁸⁰⁾ Principle 15 of the Rio Declaration on Environment and Development, approved by the United Nations in 1992.

6.3 RESOURCE INFLOW

6.3.1 Resource inflow actions, targets, and metrics (E5-2, E5-3, E5-4)

Materials

One of the most challenging aspects of Iveco Group's business is establishing and adopting adequate sustainability (i.e., eco-design) criteria to evaluate a product's impact at each stage of its life cycle, from conception and component sourcing to production, use, and end of life. The Group's voluntary commitment to managing resource inflows (including resource use) is reflected in the strategic sustainability **target** included in the Sustainability Plan and that applies to the Focus Area reporting scope as defined in 1.1 General Basis for the Preparation of the Sustainability Statement: to ensure that 100% of new products are developed using sustainability and/or recyclability design criteria by year-end 2026. For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

Although the Group does not always purchase raw materials directly (with the exception of steel used for direct processing), it constantly monitors their overall consumption and general price trends. When designing components for new products (which is done in close collaboration with suppliers), precedence is given to the use of easily recyclable materials.

In 2025, the main raw materials used in semi-finished goods purchased by the Group were steel and cast iron (including scrap), plastics and resins, rubber, and other miscellaneous materials (including high-voltage battery materials such as lithium, nickel, and cobalt). New product development activities place great emphasis on the selection of materials for various components.

Therefore, to ensure full traceability of raw materials across its product portfolio, the Group has implemented the International Material Data System (IMDS) throughout its entire manufacturing process. This online platform enables suppliers to upload detailed information on the materials and substances used in each of their components, including the quantity of recycled plastic and biopolymers, the origin of each of these (whether from production waste or end-of-life products), and the type of recycling employed (mechanical or chemical). The IMDS also allows the monitoring of compliance with: EU REACH⁽⁸¹⁾ Regulation No. 1907/2006 and POP⁽⁸²⁾ Regulation No. 2019/1021 for vehicles and components; EU RoHS⁽⁸³⁾ Directive No. 2011/65 for generators; and Directive 2005/64/EC for vehicle reuse, recycling, and recovery.

⁽⁸¹⁾ Registration, Evaluation, Authorisation, and Restriction of Chemicals.

⁽⁸²⁾ Persistent Organic Pollutants.

⁽⁸³⁾ Restriction of Hazardous Substances.

Main Materials Used

Technical raw materials	2025			2024		
	Thousand tons	of which recycled (%)	of which certified / sustainably sourced (%)	Thousand tons	of which recycled (%)	of which certified / sustainably sourced (%)
Steel	570.0	0.4	n.a.	521.2	0.4	n.a.
Iron	309.0	5.8	n.a.	313.7	5.8	n.a.
Plastics	55.0	0.1	n.a.	60.0	0.1	n.a.
Aluminium	42.0	2.8	n.a.	41.3	2.8	n.a.
Cobalt	0.2	—	n.a.	0.1	—	n.a.
Copper	6.7	1.2	n.a.	6.2	1.2	n.a.
Nickel	2.5	—	n.a.	1.5	—	n.a.
Lithium	0.5	—	n.a.	0.3	—	n.a.
Fluids	12.0	—	n.a.	11.7	—	n.a.
Total	997.9			956.0		
Biological raw materials^(a)						
Rubber ^(b) (natural and synthetic contents)	35.0	n.a.	n.a.	38.3	n.a.	n.a.
Paper ^(c) (office use)	0.2	n.a.	74.0	0.2	n.a.	74.0
Cardboard	0.3	31.0	—	0.6	46.0	—
Wood	4.7	—	37.0	10.4	—	19.0
Total	40.2			49.5		

^(a) Biofuels are not relevant for the manufacture of Group products.

^(b) The natural rubber content varies by supplier, typically ranging between 20% and 40%.

^(c) Forest Stewardship Council (FSC[®]) certified.

Data Calculation Methodology

Data related to raw materials was calculated based on the analysis of sourcing and category management, ensuring a structured assessment aligned with procurement strategies and supply chain structures. For recycled content, estimates were derived from IMDS data samples for vehicles produced in Europe, reflecting the respective material compositions reported.

Packaging

It is important for customers using Iveco Group products in their work to find spare parts as quickly as possible at their dealership workshops. The Group's dynamic logistics and assistance teams work hard to deliver the highest quality standards and technology, ensuring the prompt availability and delivery of parts, and the best solutions to any issues, through its global network of 18 spare parts warehouses. Iveco Group then works in partnership with selected suppliers to provide dealers with the right combination of such services, parts, and solutions, so as to best support them in increasing customer satisfaction and loyalty. The Group boasts around 400,000 items in stock: a complete range of new, used, and remanufactured parts, accessories, attachments, and telematics solutions that ensure all its brands' current and past models deliver value and performance over the long term. All spare parts are individually packaged in brown, eco-friendly cardboard that is Forest Stewardship Council (FSC[®]) certified, free of glossy paper, and made using a single ink colour – features that make packaging far easier to recycle. Moreover, at the San Mauro Torinese logistics hub (Italy), all cardboard boxes used to ship spare parts are also FSC[®]-certified.

6.4.1 Waste actions, targets, and metrics (E5-2, E5-3, E5-5)

Iveco Group works to optimise manufacturing processes and operations across its plants not only to enhance its end products, but also to improve waste management. This means reducing the generation of both hazardous and non-hazardous waste while increasing recovery, two key aspects of the Group's Environmental Policy. Manufacturing processes at plants normally involve numerous input materials – from raw resources such as metals to plastics, chemical products, and components – each with its own packaging and each generating actual and/or potential waste-related impacts. This applies to most manufacturing activities, including assembly, machining, painting, welding, testing, and logistics. When waste generated by Group activities is managed by third parties, the latter's waste collection and storage operations are inspected and checked to ensure that waste is handled in line with contractual or legislative obligations. Iveco Group's commitment to optimising waste management is shared across all plants, which systematically analyse their production chains to identify opportunities for improvement, particularly seeking solutions that increase waste recovery and reuse and thereby minimise the amount of material sent to landfill. They also set up action plans and allocate dedicated R&D resources to reduce waste generation and limit associated risks. The waste management improvement methods adopted, in order of preference, are waste recovery, waste-to-energy conversion, and waste treatment. In terms of waste disposal, the Group selects appropriate methods either directly or in consultation with waste disposal contractors.

In 2025, Iveco Group's plants implemented several **waste-reduction initiatives**, including circularity measures and recycling programmes designed to reduce total waste disposal, manage its significant impacts, and work towards zero waste across all operations. In France, the Rorthais plant invested a total of €67,600 to replace disposable packaging with returnable alternatives, reducing its cardboard and plastic waste by approximately 7 tons. To reduce hazardous waste generation, the plant in Madrid (Spain) installed a new system to reuse water from the paint pit by storing it in tanks during the summer shutdown and treating it with compressed air and biocides. For a total investment of €6,000, the initiative prevented the disposal of 160 tons of hazardous waste while reducing the associated annual costs.

Iveco Group's voluntary commitment to managing resource outflows (including waste) is reflected in the following sustainability **targets** included in its Sustainability Plan and that apply to the Focus Area reporting scope as defined in 1.1 General Basis for the Preparation of the Sustainability Statement:

- 97.1% of waste to be recovered at Group plants worldwide (Focus Area) by year-end 2026
- a 7% reduction in waste generated per production unit⁽⁸⁴⁾ at Group plants worldwide (Focus Area) by year-end 2026 (compared to 2019⁽⁸⁵⁾)
- a 6% reduction in hazardous waste generated per production unit⁽⁸⁶⁾ at Group plants worldwide (Focus Area) by year-end 2026 (compared to 2019⁽⁸⁷⁾).

In 2025, Iveco Group achieved the following results within the scope of the Focus Area:

- 97% of waste recovered at Group plants worldwide
- a 21.7% reduction in waste generated per production unit at Group plants worldwide (compared to 2019)
- a 31.8% reduction in hazardous waste generated per production unit at Group plants worldwide (compared to 2019).

While specifically focusing on optimising waste management and increasing waste recovery across manufacturing processes, in line with the Iveco Group Environmental Policy, the above targets also aim to develop new best practices and to identify and address situations or activities at plants that may pose a threat to the environment. For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

With regard to quantitative KPIs and metrics for waste, the main data and indicators are provided in the following tables.

⁽⁸⁴⁾ The production unit corresponds to the hour of production. Total manufacturing hours are used to calculate the normalised production unit indicator. For the definition of total manufacturing hours, see 1.1 General Basis for the Preparation of the Sustainability Statement.

⁽⁸⁵⁾ The base year (2019) waste generated is equal to 2.715 kg/hour of production. The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

⁽⁸⁶⁾ The production unit corresponds to the hour of production. Total manufacturing hours are used to calculate the normalised production unit indicator. For the definition of total manufacturing hours, see 1.1 General Basis for the Preparation of the Sustainability Statement.

⁽⁸⁷⁾ The base year (2019) hazardous waste generated is equal to 0.234 kg/hour of production. The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

Waste and Hazardous Waste Generated^(a) per Production Unit
Focus Area (kg/hour of production^(b))

	2025	2024 Recast ^(c)	2024
Waste generated	2.13	2.31	2.28
Hazardous waste generated	0.16	0.18	0.19

^(a) The base year (2019) waste generated is equal to 2.715 kg/hour of production. The base year (2019) hazardous waste generated is equal to 0.234 kg/hour of production. The base year data was recalculated to reflect the change in reporting scope resulting from the sale of the Group's firefighting business. For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(b) Total manufacturing hours are used to calculate the indicator per hour of production. For the definition of total manufacturing hours, see 1.1 General Basis for the Preparation of the Sustainability Statement.

^(c) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Waste Generated, Diverted, and Directed to Disposal
Group-Wide (tons)

	2025	2024 Recast ^(a)	2024
Waste generated, by composition			
Hazardous waste	6,667	7,823	8,204
Non-hazardous waste ^(b)	81,829	82,769	83,776
Total waste generated	88,496	90,592	91,980
of which packaging	45,722	36,993	37,425
Waste diverted from disposal, by recovery operation			
Hazardous waste			
Preparation for reuse	—	—	—
Recycling	3,506	4,896	5,265
Other recovery operations	—	—	—
Total hazardous waste diverted from disposal	3,506	4,896	5,265
Non-hazardous waste			
Preparation for reuse	—	—	—
Recycling	70,616	72,588	73,496
Other recovery operations	—	—	—
Total non-hazardous waste diverted from disposal	70,616	72,588	73,496
Total waste diverted from disposal	74,122	77,484	78,761
Waste directed to disposal, by disposal operation			
Hazardous waste			
Incineration (with energy recovery)	1,741	1,702	1,712
Incineration (without energy recovery)	21	28	28
Landfill	10	19	20
Other disposal operations (treatment)	1,389	1,178	1,179
Total hazardous waste directed to disposal	3,161	2,927	2,939
Non-hazardous waste			
Incineration (with energy recovery)	5,877	5,388	5,467
Incineration (without energy recovery)	2,132	1,867	1,865
Landfill	2,568	2,416	2,415
Other disposal operations (treatment)	636	510	533
Total non-hazardous waste directed to disposal	11,213	10,181	10,280
Total waste directed to disposal	14,374	13,108	13,219

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) The Group does not generate radioactive waste.

Waste Generated, Diverted, and Directed to Disposal
Focus Area (tons)

	2025	2024 Recast ^(a)	2024
Waste generated, by composition			
Hazardous waste	4,720	5,263	5,608
Non-hazardous waste ^(b)	58,191	62,008	63,031
Total waste generated	62,911	67,271	68,639
of which packaging	30,375	29,573	30,099
Waste diverted from disposal, by recovery operation			
Hazardous waste			
Preparation for reuse	—	—	—
Recycling	2,543	3,281	3,614
Other recovery operations	—	—	—
Total hazardous waste diverted from disposal	2,543	3,281	3,614
Non-hazardous waste			
Preparation for reuse	—	—	—
Recycling	52,728	57,147	58,078
Other recovery operations	—	—	—
Total non-hazardous waste diverted from disposal	52,728	57,147	58,078
Total waste diverted from disposal	55,271	60,428	61,692
Waste directed to disposal, by disposal operation			
Hazardous waste			
Incineration (with energy recovery)	1,144	1,096	1,108
Incineration (without energy recovery)	12	7	7
Landfill	3	4	4
Other disposal operations (treatment)	1,018	875	875
Total hazardous waste directed to disposal	2,177	1,982	1,994
Non-hazardous waste			
Incineration (with energy recovery)	4,634	4,058	4,150
Incineration (without energy recovery)	45	40	40
Landfill	645	616	616
Other disposal operations (treatment)	139	147	147
Total non-hazardous waste directed to disposal	5,463	4,861	4,953
Total waste directed to disposal	7,640	6,843	6,947

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) The Group does not generate radioactive waste.

Waste Recovered^(a), Waste Sent to Landfill, and Non-Recycled Waste

Group-Wide

	2025	2024 Recast ^(b)	2024
Waste recovered (%)	92.4	93.4	93.4
Waste recovered (tons)	81,740	84,574	85,940
Waste sent to landfill (%)	2.9	2.7	2.6
Non-recycled waste (%)	16.2	14.5	14.4
Non-recycled waste (tons)	14,374	13,108	13,219

^(a) Waste recovered is calculated as the sum of waste diverted from disposal and waste incinerated with energy recovery, calculated as a percentage of total waste generated.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

*Waste Recovered^(a), Waste Sent to Landfill, and Non-Recycled Waste
Focus Area*

	2025	2024 Recast ^(b)	2024
Waste recovered (%)	97.0	97.5	97.5
Waste recovered (tons)	61,048	65,581	66,950
Waste sent to landfill (%)	1.0	0.9	0.9
Non-recycled waste (%)	12.1	10.2	10.1
Non-recycled waste (tons)	7,640	6,843	6,947

^(a) Waste recovered is calculated as the sum of waste diverted from disposal and waste incinerated with energy recovery, calculated as a percentage of total waste generated.

^(b) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

Data Calculation Methodology

The main waste generated by Iveco Group's plants includes metal waste from machining processes and packaging waste from logistics (mainly wood and paper).

The full Group-Wide reporting scope includes all waste generated by both manufacturing and non-manufacturing sites. The Focus Area reporting scope includes only the industrial waste generated by manufacturing plants, defined as any waste directly or indirectly related to production department activities, and covers:

- waste generated in production departments during normal working cycles
- waste that, while not directly associated with manufacturing, is generated as a result of auxiliary or production support activities within the production department (e.g., maintenance, logistics, clerical, catering, medical room, sanitation, etc.).

The Focus Area reporting scope does not include waste that is not associated with manufacturing, auxiliary, or production support activities within the production department, nor waste generated as a result of activities outside the normal production cycle.

Most of the reported data (approximately 91%) was derived from primary sources, covering the scope of the Focus Area as well as some additional sites. When reporting on the full Group-Wide scope, the additional data (9%) was based on estimates, using comparable data from similar monitored sites as a reference and considering factors such as site size and indicators such as the number of employees.

Normalised production unit indexes were defined specifically to track medium- and long-term environmental performance trends. This approach emphasises performance improvements due to process optimisation rather than fluctuations in production volumes. Performance indicators were calculated on the total number of manufacturing hours, defined as the hours of presence of hourly employees within the manufacturing scope required to manufacture a product.

Environmental data was compiled individually (using ESGeo or similar systems) for each site based on their respective qualitative and quantitative data.

The 2024 figures were recalculated – and reported separately as recast data – to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit and enable comparability with the 2025 reporting perimeter.

The 2019 base year figures (used for targets) were recalculated adopting the same approach as for the 2024 figures.

7. OWN WORKFORCE (S1)

7.1 APPROACH TO THE SUSTAINABILITY MATTER (SBM-2; SBM-3)

The Iveco Group materiality assessment identified *Working conditions and human rights of own workforce* and *Wellbeing, inclusion, and development of own workforce* as material sustainability matters, linked to the ESRS S1 sub-topic and sub-sub-topics:

- 'Working conditions' (including 'Secure employment', 'Working time', 'Adequate wages', 'Social dialogue', 'Freedom of association', 'Collective bargaining', 'Work-life balance', and 'Health and safety')
- 'Equal treatment and opportunities for all' (including 'Gender equality and equal pay for work of equal value', 'Training and skills development', 'Employment and inclusion of persons with disabilities', 'Measures against violence and harassment in the workplace', and 'Diversity')
- 'Other work-related rights' (including 'Child labour', 'Forced labour', and 'Privacy').

The expected short-term impacts related to *Working conditions and human rights of own workforce* were identified as negative and described by stakeholders as follows: "The incorrect application of labour laws and regulations and/or the inadequate management of labour relations undermines Iveco Group's ability to respond to employees' needs, ensure favourable working conditions (i.e., secure employment, working time, adequate wages, social dialogue, freedom of association, collective bargaining), and enhance workforce wellbeing and satisfaction"; "Failure to comply with safety standards causes critical incidents, injuries, and work-related ill health involving Iveco Group employees"; "The violation of fundamental labour rights (e.g., child labour, forced labour) jeopardises employee access to basic life necessities and freedoms (e.g., education, livelihood)"; and "The leakage of personal, confidential and/or sensitive information compromises employee privacy".

Meanwhile, the expected short-term impacts related to *Wellbeing, inclusion, and development of own workforce* were mostly identified as positive and described by stakeholders as follows: "The offering of awareness and upskilling programmes positively contributes to employees' professional growth and career development"; "The offering of appropriate welfare and wellbeing programmes contributes to employee work-life balance and satisfaction"; and "The development of an inclusive working environment where people are treated equally improves work-life quality, and makes employees feel valued and free to fulfil their professional potential". The one short-term impact identified as negative was described by stakeholders as follows: "Discrimination and harassment in the workplace, including unfair recruiting and compensation practices, affect employees, especially those who may be particularly vulnerable and/or marginalised (e.g., women, migrants, people with disabilities)".

For more information, see 1.9 Identifying and Assessing Material Impacts, Risks, and Opportunities in this Sustainability Statement.

Iveco Group recognises that its workforce is the heart of its business and operations. That is why it fosters consistent and meaningful interactions with its people throughout the year (see 1.7 Stakeholder Viewpoint and Interests), firmly believing that listening to them and ensuring transparent, continuous feedback is fundamental to creating a healthy and inclusive work environment.

Iveco Group's industry and its business model encompass several categories of workers. Its employees have a diverse range of skills and roles, reflecting the complexity of Group operations. These span various types of activities – from design and development to production, distribution, sales, and marketing – engaging a wide variety of professionals. The workforce also includes non-employees, whose contribution is essential to daily operations. These include agency workers, who are mainly involved in manufacturing, contracted through third-party companies, and coordinated by internal supervisors; and contractors, who provide general services as self-employed workers or on behalf of third-party companies. For the purposes of its double materiality assessment, Iveco Group treated all said workers as part of its workforce when identifying the material impacts and risks most relevant to its people.

The potential negative impacts on the Group's workforce are linked to isolated episodes rather than widespread or systemic issues. On the other hand, the positive impacts tend to be associated with the Group's continuous efforts to enhance workforce wellbeing and satisfaction through targeted initiatives, such as training, development, and diversity, equity, and inclusion (DEI) programmes, as further described in the relevant sections of this Sustainability Statement. Negative impacts can affect Iveco Group's performance and positioning, since the potential occurrence of serious injuries is recognised as a significant risk that could harm workers and lead to legal and regulatory consequences as well as reputational damage.

So far, the climate transition plan has not had any material impacts on the workforce. However, as the industry moves towards electrification, new workforce requirements are emerging, with a growing demand for a more specialised skill set. This shift requires additional training, upskilling, and workforce adaptation to ensure employees are equipped to work with emerging technologies, advanced electrical systems, and sustainable energy solutions.

The procedures involved in manufacturing electric vehicles impact every stage of the production process, with the presence of high voltage (HV) batteries requiring an integrated approach that spans logistics (storage, transportation, and line feeding), assembly (HV battery installation and housing), quality checks and testing, reworking, and after-sales services. Moreover, each phase requires specific risk assessments, the implementation of new technological solutions to mitigate the risks identified, specialised personal protection equipment (PPE) for workers, and targeted training to ensure those working on electric vehicles are fully qualified. For details on the specific measures implemented by Iveco Group to ensure safety in e-vehicle production, see 7.10.3 Safety Culture and Actions.

While the full impact of these changes remains to be seen, the Group is implementing the strategies needed to support a smooth and inclusive transition.

The Group monitors its operations through an impact assessment survey, which particularly focuses on respect for human rights, especially relating to child and forced labour (see 7.14.1 Human Rights Assessment).

The 2025 survey did not identify any significant concerns or issues in this regard.

7.2 POLICIES RELATED TO OWN WORKFORCE (S1-1)

Iveco Group's commitment to its employees is stated in its Code of Conduct (see 11.2.1 Code of Conduct), Human Rights Policy, Diversity, Equity & Inclusion Policy, Health and Safety Policy, and Data Privacy Policy. These policies apply to the entire Iveco Group workforce.

7.2.1 Human Rights Policy

The Organisation endeavours to create long-term sustainable value for all its stakeholders, an objective that it believes cannot be achieved without respect for fundamental human rights. Iveco Group's Human Rights Policy supports it in reaching its sustainability targets and ambitions, and regulates those activities that generate the greatest impact and/or potential risk with regard to the following ESRS S1 sub-topics and sub-sub-topics:

- 'Working conditions' (including 'Secure employment', 'Working time', 'Adequate wages', 'Social dialogue', 'Freedom of association', 'Collective bargaining', and 'Health and safety')
- 'Equal treatment and opportunities for all' (including 'Measures against violence and harassment in the workplace')
- 'Other work-related rights' (including 'Child labour' and 'Forced labour').

Iveco Group considers human rights to be of the utmost importance, as the improper application of labour law and/or management of labour relations compromises the Group's ability to respond to employees' needs, to ensure favourable working conditions, and to enhance their wellbeing and satisfaction levels, while fundamental labour rights violations jeopardise employees' access to basic life necessities and freedoms (such as education and livelihood, among others). The Group's Human Rights Policy focuses on 8 main priorities:

- no child labour
- no forced labour, human trafficking, or any form of slavery
- working conditions
- no harassment
- no discrimination
- no retaliation
- freedom of association and collective bargaining
- occupational health and safety.

Iveco Group will not establish or continue a relationship with any counterpart that refuses to respect the principles of its Code of Conduct, which explicitly endorses the protection of human rights. The human rights principles included in the policy are consistent with the spirit and intent of the United Nations' (UN) Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the relevant Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO). The policy also outlines Iveco Group's commitment to preventing human trafficking and slavery across its supply chain, in compliance with the California Transparency in Supply Chains Act, the Human Trafficking Prevention Act, the UK Modern Slavery Act 2015, and similar laws.

Iveco Group manages the risks associated with human rights violations through its Enterprise Risk Management (ERM) system, applying a methodology that defines risk as any event that could affect the Group's ability to meet its objectives. This approach enables it to identify and evaluate risks in a timely manner, and to take action to mitigate or, where possible, eliminate them. The Group also conducts detailed human and labour rights risk assessments when acquiring significant new businesses, operations, or projects, maintaining an averse risk appetite level for human rights violations within the ERM system's Risk Appetite Framework. These assessments are typically conducted as part of the due diligence process and often with the assistance of external third-party law firms or advisors. The Human Rights Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, to those acting for or on behalf of such entities, and to all parties with which the Group conducts business, including but not limited to suppliers, service providers, sales representatives, agents, consultants, dealers, distributors, importers, resellers, and joint venture partners. While it is the responsibility of all persons covered by the policy to ensure respect for human rights, the Senior Leadership Team (SLT) retains executive oversight and responsibility for implementation. At Group level, the Board of Directors oversees the policy's implementation and is responsible for ensuring adherence to the commitments therein, while Group managers are responsible for overseeing its application at local level. The Group is continually evolving to build a sustainable society through growth, innovation, and highly engaged people. This requires a well-defined strategy, a purpose, and values, with engagement serving as the unifying force driving everyone towards shared objectives. When discrimination is identified, grievance procedures – to address complaints, manage appeals, and provide recourse for employees – are handled through the Compliance Helpline, available to all Iveco Group employees, customers, suppliers, and other third parties to report potential violations of applicable laws, the Code of Conduct, or corporate policies. The policy is available on the corporate website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish).

7.2.2 Health and Safety Policy

The Iveco Group Health and Safety Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS S1 sub-sub-topic 'Health and safety', and supports the Group in reaching its sustainability targets and ambitions. Iveco Group prioritises health and safety, recognising that failure to comply with safety standards can lead to critical incidents, injuries, or work-related ill health impacting employees, and that any injuries, long-term disabilities, or fatalities may also have legal, regulatory, and reputational consequences. The Health and Safety Policy stipulates preventive measures at both individual and collective levels to minimise the potential risk of injury in the workplace. The Group ensures optimal working conditions by applying industrial hygiene and ergonomics principles to its organisational and operational processes, and by adopting the highest health and safety standards (even in countries with less stringent regulations), believing this to be the best way to achieve excellence. Safety is a priority across Iveco Group, as evidenced by the compliance of its management systems with the ISO 45001 international standard. The Group uses consolidated monitoring and reporting systems – such as the ESGeo system – to track health and safety performance, measure the effectiveness of actions taken to achieve targets, and plan new improvement initiatives, all through the management of appropriate key performance indicators (KPIs). The Group involves all employees and their representatives in the development, implementation, and evaluation of the occupational health and safety management system by:

- arranging periodic meetings
- consulting with them to identify hazards, assess risks, define controls and preventive measures, and analyse incidents (presenting any such items at the above-mentioned meetings)
- engaging them in the development and revision of occupational health and safety objectives and policies
- collecting their feedback on the preventive measures adopted, on the organisation of the occupational health and safety management system, and on working methods and procedures.

The Health and Safety Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. Iveco Group's Board of Directors endorses the principles of this policy and oversees its implementation, the responsibility for which lies with the Senior Leadership Team (SLT), tasked with developing appropriate operational procedures and ensuring adequate allocation of resources and professional expertise. The policy is available on the corporate website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish).

7.2.3 Diversity, Equity & Inclusion Policy (DEI Policy)

Among its core values, the Group believes that diverse strengths and an inclusive environment are essential for sustainable long-term value creation and for building an effective, attractive, and resilient organisation. Iveco Group's Diversity, Equity & Inclusion (DEI) Policy supports it in reaching its sustainability targets and ambitions, and regulates those activities that generate the greatest impact and/or potential risk with regard to the following ESRS S1 sub-sub-topics: 'Gender equality and equal pay for work of equal value', 'Employment and inclusion of persons with disabilities', 'Measures against violence and harassment in the workplace', and 'Diversity'. The Organisation considers DEI to be of fundamental importance, as incidents of discrimination and harassment in the workplace, including unfair recruiting and compensation practices, negatively affect employees, especially those who may be vulnerable and/or marginalised. On the other hand, the development of an inclusive working environment where people are treated equally improves quality of work life, and empowers employees to feel valued and to achieve their professional potential. As stated in the DEI Policy, the Group does not accept discrimination and/or harassment against employees in any form on the basis of: ethnicity, race, gender, sexual orientation, personal or social status, health, physical condition, disability, age, nationality, religious or personal beliefs, political opinion, or other protected status, and all employees are expected to uphold DEI values. Iveco Group is committed to acting impartially to eliminate all forms of direct and indirect discrimination or undue advantage, while building a culture of mutual respect that values differences and empowers everyone to achieve their potential while contributing to the Group's overall success. The aim is to build a diverse workforce and Board of Directors, prioritising merit and diversity while tackling discrimination. Key priorities include nurturing talent, ensuring fair treatment, and supporting each individual's professional growth, with specific efforts designed to improve gender balance, eliminate pay gaps, provide accessibility for people with disabilities, and foster an inclusive culture. DEI goals are embedded in the Group's sustainability strategy, reflecting a commitment to creating a work environment that is respectful, collaborative, and centred on wellbeing.

The DEI Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. In joint ventures where the Group is a non-controlling shareholder, the aim is to circulate the policy to the other shareholder(s) involved and encourage them to apply similar standards. The same applies to any third parties interacting with Iveco Group (including customers, suppliers, and other business partners). Meanwhile, all visitors to Group premises are required to abide by the policy at all times, with access to sites denied in the event of non-compliance. The Board of Directors is responsible for ensuring adherence to the DEI Policy at a strategic level, monitoring its outcomes and progress over time, and providing proper disclosure as per applicable regulations. While DEI is a responsibility shared by everyone within the Group, executive oversight and implementation of the policy rest with the Senior Leadership Team (SLT). An ad hoc DEI Council is in charge of developing, reviewing and, if necessary, redefining initiatives to reduce inequality, support diversity, and promote inclusion. Employees who violate the DEI Policy may be subject to disciplinary action, up to and including termination of employment, and may be held personally liable for their behaviour. The policy, available on the Group website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish), is accessible to all stakeholders, including suppliers and other business partners. More broadly, the Group actively promotes respect for DEI through public policy efforts, stakeholder dialogue, advocacy, collaboration, and participation in various forums.

7.2.4 Data Privacy Policy

The Iveco Group Data Privacy Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS S1 sub-sub-topic 'Privacy', and supports the Group in reaching its sustainability targets and ambitions. It outlines the principles for collecting, storing, and processing personal data as per all applicable laws. These include the principles of: lawfulness, fairness, and transparency; data quality; purpose limitation; storage limitation; security safeguards; accountability; and privacy by design. Iveco Group is committed to providing adequate training to employees on privacy and data protection, and to investigating and imposing sanctions on any misconduct.

In this context, the Group also prioritises the confidentiality of employees' data, recognising that "the leakage of personal, confidential and/or sensitive information compromises employee privacy", as underlined by stakeholders during the materiality assessment when identifying material impacts and risks. For information on the measures in place in this regard, see the 'Data Protection and Privacy' and 'Information Security' sections in this Annual Report.

The Data Privacy Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. The Senior Leadership Team (SLT) is responsible for monitoring compliance with the policy, updating it as necessary, and reporting on progress. The policy is available on the corporate website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish).

7.2.5 Information Security Policy

The Iveco Group Information Security Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS S1 sub-sub-topic 'Privacy', and supports the Group in reaching its sustainability targets and ambitions. It defines the criteria and responsibilities for an effective Information Security Management System to prevent cyber threats, data breaches, operational disruptions, and regulatory non-compliance. The main objectives are protecting information assets and ensuring business continuity, applying a risk-based approach with ongoing risk assessments, and ensuring compliance with applicable laws and regulations. The Information Security Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. The Senior Leadership Team (SLT) is responsible for monitoring compliance with the policy, updating it as necessary, and reporting on progress, while the Ethics & Compliance Committee acts in a supervisory capacity on information security matters. The policy is available on the corporate website.

7.3 ADDRESSING NEGATIVE IMPACTS AND EMPLOYEE CONCERNS (S1-3)

Iveco Group's Compliance Helpline is a global reporting tool, available in 15 languages and managed by an independent third party. It provides employees, customers, suppliers, and other third parties with a dedicated means to report potential violations of applicable laws, the Code of Conduct, the Supplier Code of Conduct, or corporate policies. Reporting potential violations gives the Group the opportunity to investigate matters and take corrective action, reducing the risk or potential harm to the employees involved, co-workers, the Group itself, or the communities in which it operates.

As indicated in Iveco Group's Speak Up Policy and on the corporate website, reports can be submitted in the following ways (including anonymously, where permitted by law):

- in person to a manager or other Group representative
- through the corporate website's Compliance Helpline section, managed by a third party
- through a dedicated app, available for Android and iOS
- through dedicated phone lines (calls are directed to a voice mailbox managed by a third party; messages are then transcribed and sent to the Group anonymously).

If a reported matter is substantiated, the Group takes appropriate disciplinary action, up to and including termination of employment. To this end, the Ethics & Compliance Committee has approved specific disciplinary guidelines that clearly outline expectations for appropriate disciplinary measures and ensure a consistent approach. In 2025, any violations of the Code of Conduct were managed either through appropriate disciplinary action or through action plans to improve internal control procedures. For more information on reporting violations, see 11.3 Business Conduct and Corporate Culture in this Sustainability Statement. For details on the protection of individuals against retaliation, refer to 11.2.4 Anti-Retaliation Policy and 11.2.3 Speak Up Policy.

7.4 CONTEXT AND CULTURE (SBM-2, S1-2)

Iveco Group's people are the driving force behind its strategy and its ability to create and deliver long-term value. It is therefore a priority to accelerate their professional development, help them grow, and strengthen their leadership capabilities, improving individual performance through full engagement while ensuring a safe working environment.

To attract and retain talent, it is critical to build and sustain a corporate culture of engagement and inclusion, combined with a willingness to promote and discuss this culture openly. For this reason, the Group believes in complete transparency when showing people how it does things and has created an attractive employee value proposition (EVP) as a foundation for its sustainable evolution.

Iveco Group is continually evolving to advance a sustainable society through growth, innovation, and highly engaged people. This requires a clear strategy, a purpose, and shared values, with engagement serving as the glue that holds everyone together, ensuring all are moving in the same direction. Indeed, engagement, diversity, and inclusion are the foundations of sustainable development and integral to the Organisation's culture and human capital management efforts.

Iveco Group's commitment to its people is stated in its Code of Conduct, Human Rights Policy, and Diversity, Equity & Inclusion Policy. These documents, approved by the Board of Directors, have been distributed to all employees, and are available on the corporate website and Intranet portal.

The ultimate responsibility for matters concerning Iveco Group's people lies with the Senior Leadership Team (SLT). From an operational point of view, the Chief Human Resources Officer, who is also a member of the SLT, is responsible for the management of people (including diversity, equity, and inclusion, industrial relations, compensation and benefits, training and development, organisation, facilities, wellbeing, etc.).

Health and safety protection in the workplace, on the other hand, is promoted in every area and country of operation by a dedicated organisational structure (Energy, Environment, Health and Safety – EEHS), which operates under the Manufacturing function.

7.5 VOICE: TRANSFORMING OUR CULTURE (SBM-2, S1-2)

As soon as Iveco Group was established in 2022, it wasted no time in embarking on its *Voice* cultural transformation journey – transformative because it is as much a change in culture as in mindset, designed to go beyond corporate archetypes by giving voice to everyone within the Organisation when it comes to its growth and evolution. Believing that such a transformation is everyone's responsibility, the first phase of the journey focused on engagement.

During this phase, the aim was to build Iveco Group's identity and define its purpose and values by listening to everyone in the Organisation and engaging as many people as possible – from internal teams to customers and partners – through multiple means. One key initiative was the Organisation's first-ever *Voice Engagement Survey*, which led to the definition of Iveco Group's Purpose, Values, and Behaviours.

The Organisation also laid the foundations for a culture of continuous feedback, actively promoting two-way communication by upskilling people across the Group and by creating opportunities and role modelling for effective dialogue. Two-way feedback involves asking for, giving, and receiving input from others, holding meaningful conversations, and acting on the insights received. A focus area of this mutual exchange was enhancing managers' skills, enabling them not only to provide feedback to those under their supervision, but also to seek input on their own performance and areas for improvement.

2023 marked phase two, aimed at advancing the journey by making it more structured and granular, by delivering pragmatic solutions, and by anchoring all Group processes to the Purpose and Values identified. The primary focus was thus on development and alignment, resulting in a wealth of fully cohesive and consistent programmes and learning initiatives.

2024 saw phase three of the journey, building on the tools and processes already established and following up on commitments to deliver a sustained transformation, fully embedding it into how Iveco Group does business.

In 2025, the **fourth phase of the Voice journey**, the focus was on further strengthening the Organisation's culture and the connection between leaders and their teams. The priority was to conduct a more qualitative analysis of the data and to invest in developing leaders, reinforcing their essential role in driving team engagement. The Group introduced initiatives to spotlight leaders who emerged as top performers in the 2025 *Voice Engagement Survey*, as well as a structured development plan for those who scored less, providing tools and training to support them in engaging with their teams. There was also consistent progress in fostering a culture of dialogue and shared accountability through the Group's Dialogue & Action sessions, which saw over 90% of leaders working together with their teams to develop action plans based on the survey results.

7.6 PEOPLE SATISFACTION AND ENGAGEMENT (SBM-2, S1-2)

Iveco Group uses people satisfaction and engagement surveys not only to measure the level of employee satisfaction and engagement, but also to identify improvement opportunities that meet the needs and expectations of the entire Organisation.

The Group also collects information from exit surveys and/or interviews with departing employees worldwide, so as to gain insights into what they look for in a new organisation and uncover potential areas of dissatisfaction, covering management, career development, corporate culture, and the work environment. The Human Resources Department consolidates this data and shares specific business unit feedback with the relevant managers to address any matters of concern within each area. Similarly, new hires are required to fill out questionnaires after 30 and 210 days of employment, providing valuable feedback on their first months at the Group.

Since 2022, as part of its *Voice* cultural transformation programme, Iveco Group's annual **Voice Engagement Survey** has measured and monitored employees' levels of engagement, addressing aspects such as job satisfaction, sense of purpose, clarity of expectations, and feeling of inclusion. In 2025, it was sent out to 33,399 people in 40 countries, of whom 30,743 responded (a 92% participation rate), with 71% of employees expressing the highest level of satisfaction.

The survey is also designed to monitor employees' experience of Iveco Group's Values within the workplace, listening and giving voice to the entire Organisation by employing a bottom-up approach, working from the inside out in line with the overall cultural journey.

Every year, after filling out the *Voice Engagement Survey*, participants are asked to take part in the so-called Dialogue & Action sessions, held at team level across the Organisation to discuss survey results and to agree and follow up on specific actions for improvement. In 2025, these sessions involved more than 1,200 teams.

7.7 OWN WORKFORCE IN DETAIL (S1-6, S1-7)

As at 31 December 2025, Iveco Group had 35,453 employees, a decrease of 593 from the 36,046 employees at year-end 2024. The change was mainly attributable to the difference between new hires (approximately 3,000) and departures (approximately 2,400) during the year. A further decrease of approximately 1,200 employees was mainly due to changes in the scope of operations, related to the sale of the Group's Fire Fighting business, partially offset by the insourcing of personnel (the Industrial Security staff) from Stellantis.

Excluding the changes in the scope of operations, the workforce increase compared to year-end 2024 was attributable primarily to workforce growth at Bus manufacturing plants, mainly in Annonay (France) and Vysoké Myto (Czech Republic) – driven by the need for increased production volumes to support the manufacture and sales of vehicles to meet the energy transition requirements and the growing demand for sustainable mobility – as well as to growth in the Defence business in terms of both turnover and results, which led to an upward adjustment in personnel across all departments.

For 2026, excluding the announced exit of the Defence business from the scope of operations, Iveco Group does not expect any significant change in its overall workforce compared to 2025.

In 2025, there were approximately 2,400 departures from the Group, 4.7% of which were collective redundancies following the reorganisation or rationalisation of operations, in some instances initiated in previous years. Whenever possible, redundancies were managed through social welfare mechanisms provided for by law, and through social programmes established in collaboration with trade unions and aimed at minimising the impact on employees. 76% of the collective redundancies and associated economic conditions were managed in line with legal requirements; 26% were early terminations of fixed-term contracts; and 1% were employment contract terminations by mutual consent, with exit incentives more favourable than required by law.

Temporary hiring takes place in response to a temporary need for personnel. As at 31 December 2025, agency contracts⁽⁸⁸⁾ accounted for 2,854 of personnel, a decrease compared to the previous year of approximately 250. Most of these were hourly workers within the Manufacturing function. The number of hourly agency workers decreased significantly in the Truck Business Unit due to the conversion of about 130 agency contracts into permanent employment contracts in addition to 210 exits that occurred at the beginning of the year, both of which were driven by the trend in production volumes. A further decrease of 70 agency workers was linked to the sale of the Group's Fire Fighting business. These decreases were partially offset by a steady personnel increase in the Defence business (of approximately 180 workers). Temporary agency contracts are entered into or renewed according to business needs, as per applicable legislation and collective labour agreement (CLA) provisions, and are thus ultimately subject to variation in relation to specific market requirements.

There were also 3,301 contractors⁽⁸⁹⁾ throughout the year, providing mainly general services such as canteen work, cleaning, waste management, and maintenance.

Employee Headcount by Gender (number)

Gender	Number of employees (headcount)	
	2025	2024
Male	28,179	28,899
Female	7,274	7,147
Other ^(a)	—	—
Not reported	—	—
Total employees	35,453	36,046

^(a) Gender as specified by the employees themselves.

⁽⁸⁸⁾ Agency personnel are defined as working for, rather than employed by, Iveco Group, and are contracted and paid through an external third-party company. They are coordinated and overseen by the Group's internal supervisors, and are usually temporary and conduct the same type of activities within the same business scope as Iveco Group employees.

⁽⁸⁹⁾ This figure is expressed as full-time equivalent (FTE) and calculated based on total hours worked. Contractors are defined as external companies or freelance/self-employed workers who have a contract with an Iveco Group company to provide services of interest within the Group perimeter.

Employee Headcount in Countries where Iveco Group has at least 50 Employees Representing at least 10% of its Total Number of Employees (number)

Country	Number of employees (headcount)	
	2025	2024
Italy	14,481	14,513
France	4,240	3,914
Spain	4,117	4,224
Czech Republic	3,963	3,696

Employees by Contract Type, Broken Down by Gender (number)

	Female	Male	Other ^(a)	Not disclosed	2025
					Total
Number of employees (headcount)	7,274	28,179	—	—	35,453
Number of permanent employees (headcount)	7,069	27,292	—	—	34,361
Number of temporary employees (headcount)	205	887	—	—	1,092
Number of non-guaranteed hours employees (headcount)	—	—	—	—	—
Number of full-time employees (headcount)	6,826	27,886	—	—	34,712
Number of part-time employees (headcount)	448	293	—	—	741
					2024
					Total
Number of employees (headcount)	7,147	28,899	—	—	36,046
Number of permanent employees (headcount)	6,896	28,173	—	—	35,069
Number of temporary employees (headcount)	251	726	—	—	977
Number of non-guaranteed hours employees (headcount)	1	37	—	—	38
Number of full-time employees (headcount)	6,675	28,606	—	—	35,281
Number of part-time employees (headcount)	472	293	—	—	765

^(a) Gender as specified by the employees themselves.

*Employees by Contract Type, Broken Down by Region
(number)*

					2025
	Europe	South America	North America	Rest of World	Total
Number of employees (headcount)	30,360	4,062	75	956	35,453
Number of permanent employees (headcount)	29,506	3,828	75	952	34,361
Number of temporary employees (headcount)	854	234	—	4	1,092
Number of non-guaranteed hours employees (headcount)	—	—	—	—	—
Number of full-time employees (headcount)	29,621	4,062	75	954	34,712
Number of part-time employees (headcount)	739	—	—	2	741
					2024
	Europe	South America	North America	Rest of World	Total
Number of employees (headcount)	30,968	4,010	77	991	36,046
Number of permanent employees (headcount)	30,271	3,737	77	984	35,069
Number of temporary employees (headcount)	697	273	—	7	977
Number of non-guaranteed hours employees (headcount)	38	—	—	—	38
Number of full-time employees (headcount)	30,204	4,010	77	990	35,281
Number of part-time employees (headcount)	764	—	—	1	765

*Employee Turnover
(number)*

	2025	2024
Employees at 1 January	36,046	36,037
New hires	3,006	3,036
Departures	(2,403)	(2,715)
Δ scope of operations	(1,196)	(312)
Employees at 31 December	35,453	36,046
Turnover (%)	6.8	7.5
of which voluntary turnover (%)	2.6	2.7
New hires (%)	8.5	8.4

Employee Turnover by Age Group^(a)
(number)

	2025		
	Under 30 years	30 to 50 years	Over 50 years
Employees at 1 January	4,174	20,828	11,044
New hires	1,278	1,519	209
Departures	(605)	(1,097)	(701)
Δ age range	(660)	(646)	1,306
Δ scope of operations	(180)	(624)	(392)
Employees at 31 December	4,007	19,980	11,466
Turnover (%)	15.1	5.5	6.1
New hires (%)	31.9	7.6	1.8

	2024		
	Under 30 years	30 to 50 years	Over 50 years
Employees at 1 January	4,192	21,347	10,498
New hires	1,328	1,489	219
Departures	(630)	(1,278)	(807)
Δ age range	(657)	(582)	1,239
Δ scope of operations	(59)	(148)	(105)
Employees at 31 December	4,174	20,828	11,044
Turnover (%)	15.1	6.1	7.3
New hires (%)	31.8	7.1	2.0

^(a) Information disclosed according to the KPI calculation methodology defined by the GRI Standards.

Employee Turnover by Gender^(a)
(number)

	2025	
	Male	Female
Employees at 1 January	28,899	7,147
New hires	2,278	728
Departures	(1,908)	(495)
Δ gender	2	(2)
Δ scope of operations	(1,092)	(104)
Employees at 31 December	28,179	7,274
Turnover (%)	6.8	6.8
New hires (%)	8.1	10.0

	2024	
	Male	Female
Employees at 1 January	29,168	6,869
New hires	2,207	829
Departures	(2,169)	(546)
Δ gender	(24)	24
Δ scope of operations	(283)	(29)
Employees at 31 December	28,899	7,147
Turnover (%)	7.5	7.6
New hires (%)	7.6	11.6

^(a) Information disclosed according to the KPI calculation methodology defined by the GRI Standards.

7.8 DIVERSITY, EQUITY, AND INCLUSION (S1-4, S1-5, S1-9, S1-12)

Iveco Group implements a series of measures to address the material impacts related to diversity, equity, and inclusion (DEI) identified through the materiality assessment. More specifically, these measures, outlined below, are designed to prevent, mitigate, and/or remediate any negative impacts on the workforce while maximising positive ones. Where applicable, outcomes are monitored through specific quantitative KPIs.

In October 2023, the Board of Directors adopted the Diversity, Equity & Inclusion (DEI) Policy, applicable to the Board itself, management, and the entire workforce. The Policy acknowledges that DEI is business-critical, and not just a matter of compliance, because Iveco Group's people are the foundation of its business, and their diverse perspectives and thinking drive business performance and organisational development. Employees also stimulate continuous improvement and help advance a more sustainable society. Based on this belief, contributing diverse strengths is considered a core value at Iveco Group, and fostering an inclusive and diverse environment is essential for building sustainable long-term value as well as an effective, attractive, and resilient organisation. The DEI Policy (to be read in conjunction with the Organisation's other governance documents, namely its Code of Conduct and Human Rights Policy) is available in 7 languages in the Governance section of the Group's website. Completing the training on this policy is mandatory for all employees.

Iveco Group bases decisions relating to the composition of its Board and workforce on competence, merit, and talent, and its entire remuneration approach is built on the competitive rewarding of performance. In line with these principles, and within its overall strategic planning remit, the Board sets a number of targets addressing relevant DEI aspects for the Board itself, the members of the Senior Leadership Team (SLT), and the overall workforce. These targets (short-, medium- or long-term, depending on the aspect in question) provide direction and guide decision-making and operations. They are reviewed annually and fine-tuned as needed to ensure ongoing consistency with the Organisation's evolving strategic priorities and capacities. These targets are fully outlined in the DEI Policy and include: fostering DEI; counteracting conscious and unconscious bias through appropriate training and dialogue; integrating DEI principles into the Group's performance and recruitment and talent development processes; progressively eliminating the gender pay gap (which is already below EU Directive thresholds); and pursuing gender balance.

In terms of gender diversity targets for senior management, set in accordance with Dutch law, the Group believes that at least one-third of the members of the SLT should be women and at least one-third men. This goal was achieved in 2024 but, due to organisational changes, the percentage of women members fell to 31% in 2025. To further strengthen its DEI efforts and outcomes, the Organisation has also incorporated a strategic sustainability **target** into its Strategic Business Plan: to ensure that 30% of total office positions are held by women by year-end 2028⁽⁹⁰⁾.

⁽⁹⁰⁾ Targets are developed and set by the relevant functions in collaboration with other departments and affected stakeholders, with final approval from senior management. Targets are further shaped by the insights gathered through continuous engagement and dialogue with the workforce and workers' representatives and from their feedback. This ongoing exchange helps identify key focus areas and ensures target alignment with Group priorities. The responsibility for managing and achieving these targets lies with specific designated functions. Progress on targets is regularly disclosed through public reporting.

The Board of Directors is responsible for overseeing the target-setting process and for ensuring adherence to the DEI Policy at strategic level, monitoring its outcomes and progress, and providing proper disclosure.

Fostering a culture of DEI is one of the Group's sustainability priorities. In 2025, the governance and composition of the DEI Council was reviewed to ensure greater diversity and advance the Organisation's priorities, with a renewed focus on high-impact initiatives.

During the year, Iveco Group advanced its DEI strategy through a combination of global programmes and locally tailored initiatives. At global level, mentoring circles were launched on topics such as gender, nationality, sexual orientation, and women's development, alongside programmes such as the Group's *I-Talks*, designed to support the growth of diverse talent and engaging more than 300 colleagues worldwide. Other global initiatives raised awareness of gender-based violence – including *I Count Too*, a webinar on achieving economic independence, and *Red Bench* – benefitting thousands of employees.

In December, the Group also launched a training programme on unconscious bias, starting with a pilot at the plant in Madrid (Spain) in preparation for its global roll-out to over 18,000 employees.

At local level, programmes such as *Entre Nós Mulheres* (Among Us Women) in Brazil helped accelerate women's career progression. In Turin (Italy), the Group partnered with Save The Children on the *Youth Leaders for a Sustainable Future* project, designed to support local communities by advancing an inclusive work environment and by developing employability, technological, and digital skills among disadvantaged young people at risk of social marginalisation. The project is part of the broader *Skills to Succeed* (S2S) programme, implemented in 8 countries around the world.

In France, the *DuoDay* initiative and several awareness workshops promoted inclusion for people with disabilities, while in Spain, the Group invested heavily in social inclusion, including through programmes such as the government-regulated *Enclave Laboral* initiative, supporting the integration of differently able workers into the workforce.

In the Czech Republic, over 2,500 Group employees benefitted from domestic violence awareness campaigns and diversity charters.

These combined efforts allowed Iveco Group to engage thousands of employees worldwide, reinforce its commitment to equity and inclusion, and create meaningful opportunities for underrepresented groups.

Within the Human Resources Department, the Talent Management team is responsible for creating DEI programmes and initiatives and for promoting an inclusive culture at all corporate levels, in collaboration with the HR heads of each business unit or function and the heads of Communications and Sustainability.

This ensures that, in every aspect of the employment relationship – be it recruitment, training, compensation, development, promotion, or relocation – employees are treated based on their ability to meet the requirements of the job, and all decisions are free from any form of discrimination. The DEI strategy integrates such principles and behaviours into the employee life cycle process to ensure the sustainability of this approach.

Given Iveco Group's global presence, there may be differences in legislation among the countries where the Organisation operates, as well as different levels of awareness, concern, and ability among employees in applying the principles of non-discrimination. The Code of Conduct and specific policies ensure that the same standards are applied worldwide. Indeed, as stated in the Code of Conduct itself, Group standards supersede in jurisdictions where legislation is more lenient.

An assessment to monitor the employment of **people with disabilities** was carried out in 2025 in 21 countries⁽⁹¹⁾ (where the law requires companies to employ a minimum percentage of employees with disabilities), covering 93.5% of Group employees worldwide. The assessment showed that differently abled employees in these countries make up 3.6% of the global employee headcount. It also showed that differently abled women account for 21.2% of the total assessed, while men account for 78.8%. In all other countries of operation, there is no legislation establishing minimum quotas for the employment of people with disabilities, although in some cases other forms of protection exist (i.e., related to working hours or workplace environments). In these countries, there are objective limitations to reporting the number of differently abled employees, as the information is sensitive and often subject to data protection legislation. As a result, the Group is only aware of employees' personal status if they choose to disclose it.

In 2025, the Organisation also carried out an employee **nationality** assessment at Iveco Group legal entities in 9 countries, covering 83% of Group employees worldwide, which evidenced that 7.7% of them were of a nationality other than the country assessed. It should be noted that this percentage remains higher for female employees (8.9%) than for male employees (7.4%). Germany, the USA, and Italy were the countries where Iveco Group legal entities employed the highest percentage of employees of a nationality other than that of the host country (18% in Germany, 11% in the USA, and 10% in Italy).

⁽⁹¹⁾ Data collected on 31 October 2025 in Austria, Brazil, China, Czech Republic, France, Germany, Italy, Poland, Portugal, Romania, Spain, Türkiye, and Ukraine, as well as in 8 additional countries (Algeria, Indonesia, Russia, Serbia, Slovakia, South Korea, Thailand, and Tunisia) where, despite regulations requiring a minimum percentage of employees with disabilities, Iveco Group does not meet the minimum headcount threshold for these requirements to apply.

Employees at Top Management Level by Gender

	2025				2024			
	Male		Female		Male		Female	
	(number)	(%)	(number)	(%)	(number)	(%)	(number)	(%)
Top management level	105	75.0	35	25.0	121	76.6	37	23.4

Employees by Category by Age (number)

	2025			2024		
	Under 30 years	30 to 50 years	Over 50 years	Under 30 years	30 to 50 years	Over 50 years
Hourly	3,183	12,569	7,289	3,253	13,106	6,990
Salaried	596	2,586	1,427	687	2,743	1,433
Professional	226	3,602	1,820	232	3,680	1,721
Manager	2	1,223	930	2	1,299	900
Total	4,007	19,980	11,466	4,174	20,828	11,044

Employees by Category by Age (%)

	2025			2024		
	Under 30 years	30 to 50 years	Over 50 years	Under 30 years	30 to 50 years	Over 50 years
Hourly	13.8	54.6	31.6	14.0	56.1	29.9
Salaried	12.9	56.1	31.0	14.1	56.4	29.5
Professional	4.0	63.8	32.2	4.1	65.3	30.6
Manager	—	56.8	43.2	0.1	59.0	40.9
Global	11.3	56.4	32.3	11.6	57.8	30.6

Employee Gender Distribution by Category^(a)

	2025				2024			
	Male		Female		Male		Female	
	(number)	(%)	(number)	(%)	(number)	(%)	(number)	(%)
Hourly	19,276	83.7	3,765	16.3	19,711	84.4	3,638	15.6
Salaried	3,075	66.7	1,534	33.3	3,266	67.2	1,597	32.8
Professional	4,222	74.8	1,426	25.2	4,267	75.8	1,366	24.2
Manager	1,606	74.5	549	25.5	1,655	75.2	546	24.8
Total	28,179	79.5	7,274	20.5	28,899	80.2	7,147	19.8

^(a) Information disclosed according to the KPI calculation methodology defined by the GRI Standards.

Employee Gender Diversity Indicators^(a) (%)

	2025	2024
Women as a share of total employees	20.5	19.8
Women in all management positions	25.4	24.8
Women in junior management positions	21.6	20.8
Women in top management positions	25.0	23.4
Women in management positions in revenue-generating functions	25.7	26.2
Women in STEM positions	15.7	15.5

^(a) Information disclosed according to sustainability rating agency requirements.

Employee Nationality^(a)
(%)

	2025		2024	
	Share of total employees	Share of total management positions	Share of total employees	Share of total management positions
Italian	44.6	68.1	43.8	66.4
Spanish	13.7	3.7	13.8	4.0
French	13.5	7.3	12.5	7.1
Brazilian	10.9	8.5	10.8	8.2
German	5.8	4.0	8.4	5.6
Argentinian	3.1	2.3	2.7	2.2
Chinese	1.4	1.2	1.4	1.2
Other nationalities	7.0	4.9	6.6	5.3

^(a) Information disclosed according to sustainability rating agency requirements. Assessment covering 83% of Iveco Group employees.

Data Calculation Methodology

DEI data and information were collected, where available, through dedicated IT management and control systems (the SAP HR or ESGeo platforms) to ensure reliable information flows and data accuracy, or through spreadsheets populated directly by the representatives of each thematic area worldwide and verified by their supervisors.

7.9 COMPENSATION AND BENEFITS (S1-4)

Iveco Group implements a series of measures to address the material impacts related to employee compensation and benefits identified through the materiality assessment.

More specifically, these measures, outlined below, are designed to prevent, mitigate, and/or remediate any material negative impacts on the workforce while maximising positive ones. Where applicable, outcomes are monitored through specific quantitative KPIs.

Iveco Group's approach to compensation is based on equitable criteria to ensure that all employees benefit from an inclusive work environment and equal opportunities. The Group is committed to offering a base salary that is compliant with local regulations, competitive with the local market, sustainable from a business perspective, and in line with its corporate *achieve and earn* philosophy. The compensation strategy includes various components, providing a comprehensive package that rewards employees for their contribution to the Group's results, allowing them to share in the business success they helped to create. Overtime at Iveco Group is managed, monitored, and compensated in strict compliance with applicable legal requirements and, where relevant, collective bargaining agreements.

Base salary, benefits, and short- and long-term incentives are determined by market-driven benchmarks; this ensures that all Iveco Group employees across different global markets are treated fairly and objectively. The specific criteria for adjustments focus on closing gaps with respect to market position, giving priority to top performers. Variable compensation, on the other hand, is based on individual employee contributions, assessed annually through a rigorous evaluation applied consistently to all eligible employees worldwide. Additionally, a formal, monitored process is in place to ensure the Group's core principles of equity and fairness are applied to compensation levels, annual salary reviews, and promotions alike, in line with its *reward* philosophy. Thanks to the combination of the above measures, Iveco Group's overall compensation approach guarantees equal treatment for all individuals regardless of age, gender, ethnicity, religious belief, disability, sexual orientation, or other such factors or attributes.

7.9.1 Compensation metrics (S1-5, S1-16)

Recognising the importance of a fair and unbiased approach to pay, Iveco Group is committed to ensuring pay equity as good business practice. The Group also acknowledges the possibility of acceptable differences in pay for similar work, provided they are based on fair and objective criteria such as performance, education, or other measurable job-related characteristics.

Iveco Group upholds and maintains pay equity throughout the Organisation by:

- reviewing and adjusting pay ranges each year to ensure their compliance with local statutory requirements, which vary by country and reflect the prevailing local market pay rates for the roles in question
- monitoring the starting salaries of new employees to ensure they are fairly aligned with Iveco Group's predefined pay ranges. To this end, before any employment offer is made, the HR team verifies that the salary being offered falls within such ranges (regardless of the candidate's salary history), to reduce the likelihood of importing pay inequities from previous employers
- monitoring salaries following internal promotions, with the HR team ensuring (as for new hires) that the starting salary for any promotion complies with local statutory requirements.

In 2025, the total annual remuneration ratio of Iveco Group's highest paid individual (i.e., the Chairperson) to the median total annual remuneration for all employees (excluding the highest-paid individual) was equal to 73.4⁽⁹²⁾.

For information on the CEO pay ratio disclosure as established by the Dutch Corporate Governance Code, please refer to the 'Remuneration Report' in this Annual Report.

Iveco Group is committed to conducting an annual review of base salaries for nearly all employees in most of its countries of operation (around 99% of Group employees worldwide) to identify and address gender pay gaps. The gender pay gap is defined as the difference in average pay levels between male and female employees, expressed as a percentage of the average pay level of male employees. The analysis performed in 2025 revealed a gender pay gap of -3.1%⁽⁹³⁾.

Iveco Group has prioritised gender pay equity by setting specific targets for gender equality and by achieving third-party certification from EDGE in November 2024, reflecting the Group's compliance with rigorous standards for diversity, equity, and inclusion (DEI) in the workplace. EDGE certification is the leading and globally recognised standard for DEI, integrated into key indices and implemented by ESG and DEI think tanks and thought leaders worldwide.

When analysing its gender pay gap, the Group considered specific variables to identify factors that could potentially influence pay differences, employing a well-established statistical technique to identify any pay gap between male and female employees that could not be explained by or attributed to those specific variables. The number of variables used was intentionally limited to those that statistically demonstrated a meaningful impact on results. The analysis consistently showed that Iveco Group's unexplained pay gap was within an accepted threshold of +/-5%. Meanwhile, the Group continues to take proactive steps to address pay disparities where they exist, as part of its broader commitment on rewards and workplace diversity, equality, and inclusion.

Iveco Group's commitment to equal pay is also reflected in the voluntary strategic sustainability **target** incorporated into its Strategic Business Plan: to maintain gender pay equity⁽⁹⁴⁾ across the Organisation, and have it certified by a third party by year-end 2026 (as mentioned earlier, certification was achieved in 2024, well ahead of schedule). Targets are developed and set by the relevant functions, with final approval from senior management. The responsibility for managing and achieving these targets lies with specific designated functions. Progress on targets is regularly disclosed through public reporting. For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

7.9.2 Local minimum wages (S1-10)

In many countries, minimum wage levels are established by law (although in some countries there may be regional, state or other internal variations). Where no specific law exists, a minimum wage may be established by collective bargaining agreements between employer associations and trade union representatives. This, for example, is the case in Italy, Germany, and Belgium, where pay and employment conditions are negotiated at regional or national level, with the possibility of further agreements on their application or supplementary terms and conditions at company level. There are other instances in which minimum wage levels are established based on specific economic, social, and political circumstances and therefore do not allow for cross-border comparisons. In 2025, Iveco Group assessed the adequacy of entry-level wages in each country of operation. The findings confirmed that employees were compensated appropriately, aligning with country benchmarks (at or above the statutory minimum or collective labour agreement levels).

7.9.3 Employee benefits (S1-11)

Benefits often make up a meaningful part of the employees' total compensation package, with a value that goes beyond their salaries and cash incentives. For this reason, Iveco Group offers a competitive range of benefits normally available to all full-time employees, and in many countries also to part-time or temporary employees. Benefits may differ according to an individual's position or country of employment.

Iveco Group conducted an assessment involving all its major sites, representing approximately 98% of its employees worldwide, to monitor the availability and adoption of various Group benefits (e.g., pension plans, supplemental health plans, financial support for those with accident-related permanent disabilities, life insurance, employee cafeterias or meal vouchers, etc.). The findings are shown in the following table.

⁽⁹²⁾ This calculation includes about 99% of Group employees worldwide, considering the following total remuneration components: base salary (i.e., the sum of guaranteed, short-term, and non-variable cash compensation); benefits in cash (i.e., the sum of the base salary and cash allowances, bonuses, commissions, cash profit-sharing, and other forms of variable cash payments); benefits in kind (e.g., cars, private health insurance, life insurance, wellness programmes); and direct remuneration (i.e., the sum of benefits in cash, benefits in kind, and the total fair value of all annual long-term incentives – for example, stock option awards, restricted stock shares or units, performance stock shares or units, phantom stock shares, stock appreciation rights, and long-term cash awards). In 2024, the highest total annual remuneration was received by the Group's Chief Executive Officer (CEO). The ratio between this remuneration and the median annual remuneration of all other employees (excluding the CEO) was 59.1.

⁽⁹³⁾ Calculated for each country as the average male full-time equivalent (FTE) base salary plus short-term incentives (STI) minus the average female FTE base salary plus STI, divided by the average male FTE base salary plus STI. The overall figure is a weighted average based on the headcount in each country.

⁽⁹⁴⁾ Iveco Group assesses gaps in gender pay equity by using well-established statistical techniques. This analysis covers more than 90% of its employees.

Employees Entitled to Benefits^(a)
(%)

	2025	2024
Financial benefits		
Supplementary pension plans	71.9	76.5
Supplemental health plans	81.4	67.6
Financial support in the event of accident/death/disability	87.7	87.8
Employee cafeterias or meal vouchers	92.2	87.3
Transportation ^(b)	17.2	19.8
Social benefits		
Childcare ^(c)	58.2	59.2
Sports facilities ^(d)	51.5	28.3
Wellness and nutrition programmes ^(e)	90.4	86.1

^(a) Information disclosed according to sustainability rating agency requirements.

^(b) Includes benefits such as Group cars, fuel reimbursement, and travel allowance.

^(c) Includes kindergartens, summer camps/holidays, and other childcare services or educational assistance.

^(d) Includes free gym access, gym/fitness courses, and other sports initiatives.

^(e) Includes nutrition coaching, smoking cessation support, medical check-ups and screenings, vaccinations, and other wellness programmes.

In 2025, approximately 72% of employees were eligible for a supplementary pension plan, and 62% of those eligible had joined one (representing 44% of the total population assessed).

In addition, nearly all of Iveco Group's legal entities participate in supplemental healthcare plans, the majority being insurance-based. Levels of coverage vary by country, depending on the public healthcare system, tax and regulatory restrictions, and local market conditions. The data collected showed that approximately 81% of employees were also eligible for a supplemental health plan, and about 85% of those eligible had joined one.

Iveco Group complies with all legal requirements regarding benefits, insurance, and leave provisions in every country of operation. It should be noted that, in a limited number of countries, certain benefits are not provided if not mandated by local laws. This is the case in Ethiopia, Tunisia, Russia, and India (collectively accounting for approximately 0.3% of Iveco Group's global headcount), where social protection does not cover unemployment benefits.

Data Calculation Methodology

Data and information related to employee benefits were collected through a dedicated IT management and control system (the ESGeo platform) to ensure the reliability of information flows and data accuracy.

7.10 OCCUPATIONAL HEALTH AND SAFETY (S1-4, S1-5)

Iveco Group implements a series of measures to address the material impacts related to occupational health and safety identified through the materiality assessment. More specifically, these measures, outlined below, are designed to prevent, mitigate, and/or remediate any material negative impacts on the workforce while maximising positive ones. The measures and management approaches in place are also aimed at mitigating the identified risks, and their effectiveness is monitored through health and safety KPIs and the achievement of relevant targets.

Iveco Group's occupational health and safety strategy leverages effective preventive and protective measures, implemented both collectively and individually, to minimise risk of injury in the workplace. The Group applies principles of industrial hygiene and ergonomics to its organisational and operational management processes to ensure optimal working conditions, and adheres to the highest standards (even in countries with less stringent regulations), believing this to be the best way to achieve excellence.

Under the safety management system, employees are integral to creating a culture of accident prevention and risk awareness, and are actively involved in identifying and reporting any actual or potential work-related hazards (e.g., by using the appropriate forms). This proactive approach, combined with other tools such as training and awareness-raising campaigns, allows sharing ethical occupational health and safety principles across the Organisation, and facilitates the achievement of improvement targets.

In 2025, the Group delivered 182,832 hours of occupational health and safety **training** (of which 126,011 on the job). This covered both general topics and specific work-related hazards (e.g., working at heights or in confined spaces, and safely handling hazardous substances), as well as other topics such as personal protective equipment (PPE). The training's aim is to raise awareness and minimise operational health and safety incidents. On-the-job training involved 23,002 employees (representing 65% of total Group employees), 81% of whom were hourly. Specific refresher courses on safety rules and procedures are also delivered each year to contractors and agency workers.

Iveco Group requires its suppliers and partners to comply with worker health and safety regulations, promoting high standards across the value chain to achieve continuous improvement. These principles are outlined in the Health and Safety Policy, adopted by the Group at its foundation, available on the corporate website in 7 languages to all employees and stakeholders. The policy applies to all workers, including contractors and agency workers.

Iveco Group involves all employees and their representatives in the development, implementation, and evaluation of the occupational health and safety management system by:

- arranging periodic meetings
- consulting with them to identify hazards, assess risks, define controls and preventive measures, and analyse incidents (presenting any such items at the above-mentioned meetings)
- engaging them in the development and review of occupational health and safety objectives and policies
- collecting their feedback on the preventive measures adopted, on the organisation of the occupational health and safety management system, and on working methods and procedures.

Safety is a priority across the Organisation, as evidenced by the compliance of its management systems with the ISO 45001 international standard (for more information, see 7.10.2 Certification Process in this Sustainability Statement).

Consolidated monitoring and reporting systems – such as the ESGeo platform – are used to track health and safety performance, measure the effectiveness of actions taken to achieve targets, and plan new improvement initiatives, all through the management of appropriate key performance indicators (KPIs). These indicators can be analysed at different levels (site, business unit, geographic region, or Organisation-wide), thus enabling the simultaneous engagement of different corporate functions at various levels to meet the targets set. The Group also performs periodic benchmarking, which helps drive the continuous improvement of its health and safety performance.

Health and safety hazard identification and risk assessments are carried out consistently for both routine and non-routine activities at 100% of Iveco Group's plants, and issues are addressed with specific action plans, including quantified targets. These action plans are prioritised according to risk assessment results, and the short-, medium-, and long-term countermeasures thus identified may include the modification or replacement of activities, materials, or processes, particularly regarding work organisation and the design (or redesign) of work areas and processes. The effectiveness of these activities is verified via periodic internal audits and management reviews.

Risk assessments are conducted for normal, abnormal, and emergency conditions – as emergencies also require action plans to ensure they are dealt with promptly and effectively. In addition, newly acquired assets are assessed based on existing processes and activities, to determine what interventions are necessary to achieve health and safety management compliance with Iveco Group's standards.

In 2025, management at one of the Group plants carried out an internal review of its health and safety (H&S) data and identified certain anomalies resulting from the incorrect application of the Group's internal procedure on H&S KPI accounting. The figures were therefore revised and updated (in line with ESRS requirements on presenting comparative information and reporting errors), and the 2019-2024 data restated accordingly. During the year, further checks (i.e., control points) were incorporated into the internal control system for sustainability reporting, with the aim of improving data monitoring and reliability⁽⁹⁵⁾.

Iveco Group has set ambitious annual voluntary targets for occupational health and safety, taking into account the specific work, experience, and technical advancement involved, while safeguarding employee health and the surrounding work environment. These targets are pursued by implementing the continuous improvement processes of the safety management systems and are in line with the Group's Health and Safety Policy. Furthermore, a specific strategic sustainability **target** was included in the Strategic Business Plan: to reduce the injury frequency rate of employees and agency workers by 40% by year-end 2026 (compared to 2019⁽⁹⁶⁾). In 2025, the rate decreased by 51% compared to 2019.

Injury Frequency Rate – Employees and Agency Workers

	2025	2024 Recast ^(a)	2024 ^(b)
Injury frequency rate ^(c) (injuries per 1,000,000 hours worked)	1.445	1.750	1.923
Lost time injuries (number)	86	107	120
of which work-related injuries (number)	86	101	114
of which non-work-related injuries (number)	—	6	6
Hours worked (number)	59,500,256	61,134,309	62,389,086

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) The 2024 figures were recalculated to reflect the results of an internal review performed in 2025 and disclosed in line with ESRS 1 paragraph 7.5. The total number of injuries (both work-related and non-work-related) prior to the restatement for employees and agency workers combined was 85. For additional information, see the relevant 'Data Calculation Methodology' section.

⁽⁹⁵⁾ For more information, see 7.10.7 Occupational Health and Safety in Numbers in this Sustainability Statement.

⁽⁹⁶⁾ The base year (2019) injury frequency rate is equal to 2.951 injuries per 1,000,000 hours worked.

^(c) The injury frequency rate is the number of injuries (work-related and non-work-related, for employees and agency workers, resulting in at least 1 day of absence, excluding the day on which the event occurred) divided by the number of hours worked, multiplied by 1,000,000. The base year (2019) injury frequency rate is equal to 2.951 injuries per 1,000,000 hours worked. The base year data was recalculated to reflect both the change in reporting scope resulting from the sale of the Group's firefighting business and the outcomes of an internal review performed in 2025 (see 'Data Calculation Methodology'). For information on the rationale for choosing 2019 as the base year, see 1.1 General Basis for the Preparation of the Sustainability Statement.

Targets are developed and set by the relevant functions in collaboration with other departments and affected stakeholders, with final approval from senior management. Targets are further shaped by the insights gathered through continuous engagement and dialogue with the workforce and workers' representatives and from their feedback. This ongoing exchange helps identify key focus areas and ensures target alignment with Group priorities. The responsibility for managing and achieving these targets lies with specific designated functions. Progress on targets is regularly disclosed through public reporting.

For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

7.10.1 Responsibility and organisation

Iveco Group has established a consistent global organisational structure to safeguard and promote occupational health and safety across its activities in all countries of operation.

Specific health and safety responsibilities are defined in compliance with national regulations, and assigned by employers with clearly identified areas of accountability. Management at plants and in the workplace rests with local employers. Employee health management (e.g., health monitoring, medical appointments, preventive consultations, vaccinations) is provided through in-house occupational health services delivered by specially hired professionals, and through external services regulated by ad hoc consulting agreements.

The ultimate responsibility for initiatives focusing on occupational health and safety at Iveco Group lies with the Senior Leadership Team (SLT).

The central Energy, Environment, Health and Safety (EEHS) function (which serves as a reference point for sustainability) coordinates and manages health and safety issues as per Iveco Group's Health and Safety Policy. It periodically verifies performance against targets, proposes new initiatives, and defines health and safety policies. In 2025, further checks (i.e., control points) were incorporated into the internal control system for sustainability reporting, with the aim of improving data monitoring and reliability while ensuring the correct implementation of data collection procedures. At local level, each plant's Environment, Health and Safety (EHS) unit is responsible for dealing with occupational health and safety issues, as well as for providing specialised technical assistance to production managers and to those in charge of other processes at site level. Moreover, each plant manager is responsible for realising specific projects to manage the occupational health and safety impact of manufacturing processes. Lastly, the Board of Directors' ESG Committee is regularly informed of health and safety results, and comments where appropriate.

7.10.2 Certification process (S1-14)

Iveco Group has voluntarily certified its occupational health and safety management systems as per the ISO 45001 international standard, covering 27 Group sites worldwide (both manufacturing and non-manufacturing) and accounting for 25,206 employees (about 72% of the employees within the reporting scope) as well as 2,641 contractors and 3,225 agency workers (representing 80% and 94% of the respective populations within the reporting scope).

Certifications are awarded by accredited international bodies that are, in turn, continuously and rigorously monitored by other international organisations; they are issued following thorough checks, attesting to the high levels of reliability of Iveco Group's systems and the effectiveness of its operational and procedural standards.

The Group regularly verifies the effectiveness of its management systems through documented and substantiated audits; these are performed either by qualified internal auditors, or by external industry-specific auditors or independent certification bodies (second and third-party external audits).

In 2025, the Organisation carried out 298 internal audits of its management systems, covering 28,876 employees (about 82% of the employees within the reporting scope), as well as 2,923 contractors and 3,364 agency workers (representing 89% and 98% of the respective populations within the reporting scope). Additionally, 27 external audits covered 25,206 employees (about 72% of the employees within the reporting scope), as well as 2,641 contractors and 3,225 agency workers (representing 80% and 94% of the respective populations within the reporting scope).

7.10.3 Safety culture and actions (S1-4)

Iveco Group's Health and Safety Policy promotes individual participation through communication and awareness activities designed to encourage and motivate staff to play an active role in the overall improvement process. This approach is particularly important in a multinational and interdisciplinary environment involving many cultures, multiple legal frameworks, and large numbers of people.

In 2025, **several initiatives** were implemented to promote a culture of safety and shared standards across the Organisation, including specific training and awareness-raising activities to create a safer workplace. A few examples follow.

On World Day for Safety and Health at Work, the plants in Cordoba (Argentina) conducted an information campaign on the Group's workplace health and safety standards, distributing leaflets to all personnel and displaying posters throughout the plants to maximise visibility and engagement. The campaign covered key topics such as proper use of personal protective equipment (PPE), site-specific risks, emergency procedures, 5S methodology⁽⁹⁷⁾, internal traffic rules, and safe use of lifting equipment and machinery, fostering awareness and a consistent, responsible approach to safety across the facilities. The plants in Turin (Italy) launched a programme designed to help participants recognise common cognitive biases – such as haste, overconfidence, or underestimating risk – and understand their impact on decisions and behaviours in real work situations. The programme combines on-site analyses, practical exercises, and guided discussions to explore these dynamics and develop actionable strategies for prevention in production areas. Follow-up activities occur every three months, with monthly checkpoints to review progress and the achievement of objectives. By enhancing individual and collective awareness, the programme aims to reinforce a robust, shared safety culture across the plants. The plant in Brescia (Italy) launched the *3 Minutes Team Leader* initiative, consisting of daily three-minute briefings at the start of each shift, each focusing on a specific health and safety topic to keep teams continuously informed and aware. Topics include basic safety rules, the location of defibrillators (AEDs), site traffic and driving rules for internal vehicles, and PPE. This structured, repetitive approach strengthens employees' safety knowledge, promotes consistent communication, and contributes to a safer and more responsible work environment. The plants in Sete Lagoas (Brazil) joined the nationwide *Maio Amarelo* (Yellow May) road safety campaign with an internal traffic accident prevention initiative. Activities to raise employee awareness of safe driving and traffic-related risks included safety blitzes, banners with preventive messages, and three IVECO S-WAY vehicles at plant entrances displaying traffic safety messages. These educational and interactive efforts were designed to reinforce safe driving practices, highlight the dangers of inattentiveness and imprudence, and promote a culture of road safety, supporting Brazil's broader effort to engage communities in preventing traffic accidents.

At Group level, a comprehensive set of Safety Guidelines for hydrogen fuel cell vehicles is being developed to cover risk assessments, PPE, safety systems, safety training, and requirements for production and maintenance workshops – with a strong emphasis on process safety and operational activities throughout the entire vehicle life cycle. In the absence of harmonised European regulations on the topic, establishing clear, robust, and shared internal standards is crucial to ensure safety and consistency across all operations. Driving this initiative is a multidisciplinary Technical Working Group, leveraging expertise from various departments to deliver a comprehensive, integrated approach.

Iveco Group monitors workstation **ergonomics** at all plants in each geographic region, so as to prevent potential problems before they arise and identify and contain any critical situations. The following are a few examples of the initiatives implemented during the year to improve ergonomics at various sites, not only through technical solutions but also with the support of external professionals.

The Piacenza plant (Italy) introduced new CE-certified mobile equipment to improve ergonomics and safety when tilting the cabs of off-highway trucks used on construction sites and quarries. Manually positioned by the operator and connected to the truck's hydraulic system, the pneumatic machine is operated via a control panel that requires both hands, keeping them out of harm's way throughout the procedure. This ensures safe handling and controlled cab tilting while reducing physical effort and enhancing comfort.

Meanwhile, the Madrid plant (Spain) introduced a low-cost automation system to move cab fridges from the logistics area to the assembly stations, replacing a previously manual task. With each fridge weighing approximately 7 kilos, the system coordinates their transfer and positioning according to production requirements, minimising manual lifting, bending, and stretching. By standardising safe handling in line with best practices and the Group's *kaizen* continuous improvement principles, the system significantly reduces biomechanical strain on operators and the risk of musculoskeletal injuries, ensuring consistent, ergonomically safe operations throughout the assembly process.

7.10.4 Health and safety performance (S1-14)

In 2025, the Group spent approximately €56.6 million on improving health and safety protection, of which almost €51.5 million on improvements to occupational safety and working conditions (worker protection, structural improvements, and inspections of plants and working environments), and approximately €5.1 million on employee healthcare costs.

Accident rates are a clear indicator of how successful a company is at preventing occupational accidents. Owing to Iveco Group's many initiatives, the overall injury frequency rate (for employees and agency workers) in 2025 was 1.445 injuries per 1,000,000 hours worked, a 17.4% drop compared to the result achieved the previous year⁽⁹⁸⁾. Safety data relates to approximately 99.7% of employees within the reporting scope⁽⁹⁹⁾.

In the event of a **work-related incident**, a team is set up to conduct a field investigation and draw up a report to describe the event, analyse the root cause, and identify necessary countermeasures. In the subsequent follow-up, the team verifies the effectiveness of the countermeasures adopted, standardises them, and extends them to other areas subject to similar risks to prevent future incidents.

In 2025, 1,498 **near misses**⁽¹⁰⁰⁾ were reported and analysed, leading to the implementation of remedial actions that strengthened preventive measures and contributed to further improvement. In addition, to better manage events such as injuries, incidents requiring first aid, near misses, unsafe acts, and unsafe conditions, several initiatives were carried out across the Group to develop and disseminate tools for collecting, analysing, and tracking data on such occurrences, thereby enhancing the effectiveness of the preventive measures in place.

⁽⁹⁷⁾ Sort, Set in order, Shine, Standardise, Sustain.

⁽⁹⁸⁾ In 2025, management at one of the Group plants carried out an internal review of its health and safety data and, as a result, some 2024 data was restated. For more information, see 7.10.7 Occupational Health and Safety in Numbers in this Sustainability Statement.

⁽⁹⁹⁾ The non-manufacturing data refers only to sites with more than 30 employees.

⁽¹⁰⁰⁾ Near miss: an unplanned event that did not result in injury, illness, or damage, but had the potential to do so.

Specific **occupational disease** indicators reflect a company's success in ensuring a healthy work environment for its employees. Occupational diseases are typically the result of prolonged, gradual, and progressive exposure to harmful chemical, physical or biological agents during work. The Organisation continually monitors and investigates such cases in order to identify persistent working conditions that may have caused their onset, assess any residual risks, and implement any corrective and improvement measures needed to prevent recurrence.

In 2025, 26 cases of occupational diseases involving employees were ascertained by the relevant insurance authorities in the countries of reference, while no cases were reported among contractors or agency workers operating at Iveco Group facilities worldwide.

Hazards with the potential to cause occupational illnesses are identified through risk assessments conducted at each site.

7.10.5 Safeguarding health

At Iveco Group, safeguarding employee health means more than reducing accidents and illnesses by identifying and eliminating hazards and minimising risks. The Group is equally committed to promoting the psychological and physical wellbeing of its people through targeted disease and disorder prevention programmes, backed up by assistance and support services (see 7.12 Welfare and Wellbeing).

The plants in Cordoba (Argentina) launched a *Cardiopulmonary Resuscitation* (CPR) training programme using augmented reality (AR) technologies to prepare employees for medical emergencies. Thanks to virtual reality, workers were able to practice essential lifesaving manoeuvres, including CPR and emergency-response procedures. The initiative increased their confidence in managing critical scenarios, reinforcing a workplace culture centred on health and safety.

The plants in Sete Lagoas (Brazil) ran a month-long mental health awareness campaign. Expert-led sessions provided employees with practical tools for recognising emotional distress, managing stress, and supporting colleagues through active listening, including specific guidelines for managers to address psychosocial risk factors. By fostering open dialogue and reducing stigma around mental health, the initiative aimed to reinforce psychological wellbeing and facilitate timely access to support. The Sete Lagoas plants also organised a breast cancer prevention campaign, with expert-led sessions focused on early detection, self-examination techniques, and holistic health practices. The initiative also included complementary wellness activities encouraging female employees to participate in preventive screenings and adopt self-care habits that support long-term health and wellbeing, both at and away from the workplace.

The plant in Suzzara (Italy) hosted the *Health Day* initiative, giving employees and their families access to preventive medical services, health assessments, screenings, and specialist consultations. Combined with health education sessions and activities promoting physical and mental wellbeing, the event enhanced awareness of common health conditions, encouraged proactive health monitoring, and fostered a community-oriented approach to workplace wellbeing. As part of a broader preventive health strategy, the Suzzara plant also launched an *ECG Screening* programme, offering cardiologist-supervised electrocardiograms to employees over 50. The screenings aimed to support the early detection of cardiac anomalies and help reduce the risk of severe cardiovascular events. Participants received individual feedback on their results, along with guidance on prevention measures and heart-healthy lifestyles. The programme contributed to promoting proactive cardiovascular health management and long-term wellbeing among the workforce, reinforcing a workplace culture that prioritises employee health, risk awareness, and evidence-based preventive practices.

Meanwhile, the *Train Me* initiative was launched across all dealers of property (DOPs) in Europe, consisting of a two-week wellness programme designed to promote physical activity, improve overall health, and encourage sustainable lifestyle habits among employees. The programme included guided sports activities and health-promotion sessions aimed at enhancing cardiovascular fitness, reducing sedentary behaviour, and fostering the long-term adoption of wellbeing practices.

7.10.6 Work-related stress

Iveco Group has implemented several initiatives to assess work-related stress, including the adoption of a structured risk analysis process focusing specifically on health and safety data. This risk analysis is tailored to the specific nature, aspects, and characteristics of each workplace and working environment, and complies with the specific regulations in each country of operation. Since risk assessments for work-related stress are influenced by environmental, cultural, and psychosocial factors, the Group has also developed a training programme for employees at all levels to ensure the objectivity of risk assessments within any given region. Consequently, assessment outcomes may differ from country to country. The systematic assessment of this type of risk helps to identify the most appropriate mitigation tools and promote employee wellbeing at all Group plants. The outcomes of this process are continually monitored to assess the effectiveness of the measures in place (e.g., through opinion surveys) and to implement new tools.

7.10.7 Occupational health and safety in numbers (S1-14)

With regard to quantitative KPIs and metrics for occupational health and safety, the main data and indicators are provided in the following tables.

Health and Safety Performance – Employees

	2025	2024 Recast ^(a)	2024 ^(b)
Fatalities as a result of work-related injury (number)	—	—	—
Fatalities as a result of work-related ill health (number)	—	—	—
Recordable work-related injuries (number)	71	88	101
Cases of recordable work-related ill health ^(c) (number)	26	16	16
Days lost to work-related injuries and fatalities from work-related accidents, and days lost to work-related ill health and fatalities from ill health ^(c) (number)	5,110	3,126	3,584
Injury frequency rate ^(d) (recordable work-related injuries per 1,000,000 hours worked)	1.321	1.575	1.770
Injury severity rate ^(e) (days lost per 1,000 hours worked)	0.095	0.056	0.063
Occupational illness frequency rate (OIFR) (cases of recordable work-related ill health per 1,000,000 hours worked)	0.484	0.286	0.280
Hours worked (number)	53,745,142	55,886,201	57,072,859

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) The 2024 figures were recalculated to reflect the results of an internal review performed in 2025 and disclosed in line with ESRS 1 paragraph 7.5. For additional information, see the relevant 'Data Calculation Methodology' section.

^(c) The 2024 data was restated to reflect a change in the Group's definition of recordable work-related ill health. As of 2025, this is defined as any disease caused by work (and resulting in permanent disability) recognised by the national or state insurer during the reporting year for an employee (on the payroll as at 31 December), and for which the insurer provides compensation.

^(d) The injury frequency rate is the number of work-related injuries (resulting in at least 1 day of absence, excluding the day on which the event occurred) divided by the number of hours worked, multiplied by 1,000,000.

^(e) The injury severity rate is the number of days lost (of at least 1 day, due to work-related injuries and fatalities from work-related accidents, and days lost to work-related ill health and fatalities from ill health) divided by the number of hours worked, multiplied by 1,000.

Health and Safety Performance – Contractors

	2025	2024 Recast ^(a)	2024
Fatalities as a result of work-related injury (number)	—	—	—
Fatalities as a result of work-related ill health (number)	—	—	—
Recordable work-related injuries (number)	5	9	9
Cases of recordable work-related ill health (number)	—	—	—
Days lost to work-related injuries and fatalities from work-related accidents, and days lost to work-related ill health and fatalities from ill health (number)	180	167	167
Injury frequency rate ^(b) (recordable work-related injuries per 1,000,000 hours worked)	0.860	1.349	1.348
Injury severity rate ^(c) (days lost per 1,000 hours worked)	0.031	0.025	0.025
Occupational illness frequency rate (OIFR) (cases of recordable work-related ill health per 1,000,000 hours worked)	—	—	—
Hours worked (number)	5,810,586	6,671,455	6,674,877

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) The injury frequency rate is the number of work-related injuries (resulting in at least 1 day of absence, excluding the day on which the event occurred) divided by the number of hours worked, multiplied by 1,000,000.

^(c) The injury severity rate is the number of days lost (of at least 1 day, due to work-related injuries and fatalities from work-related accidents, and days lost to work-related ill health and fatalities from ill health) divided by the number of hours worked, multiplied by 1,000.

Health and Safety Performance – Agency Workers

	2025	2024 Recast ^(a)	2024 ^(b)
Fatalities as a result of work-related injury (number)	—	—	—
Fatalities as a result of work-related ill health (number)	—	—	—
Recordable work-related injuries (number)	15	13	13
Cases of recordable work-related ill health (number)	—	—	—
Days lost to work-related injuries and fatalities from work-related accidents, and days lost to work-related ill health and fatalities from ill health (number)	485	607	607
Injury frequency rate ^(c) (recordable work-related injuries per 1,000,000 hours worked)	2.606	2.477	2.445
Injury severity rate ^(d) (days lost per 1,000 hours worked)	0.084	0.116	0.114
Occupational illness frequency rate (OIFR) (cases of recordable work-related ill health per 1,000,000 hours worked)	—	—	—
Hours worked (number)	5,755,114	5,248,108	5,316,227

^(a) The 2024 Recast column reports figures recalculated after excluding Iveco Group's former Fire Fighting Business Unit.

^(b) The 2024 figures were recalculated to reflect the results of an internal review performed in 2025 and disclosed in line with ESRS 1 paragraph 7.5. For additional information, see the relevant 'Data Calculation Methodology' section.

^(c) The injury frequency rate is the number of work-related injuries (resulting in at least 1 day of absence, excluding the day on which the event occurred) divided by the number of hours worked, multiplied by 1,000,000.

^(d) The injury severity rate is the number of days lost (of at least 1 day, due to work-related injuries and fatalities from work-related accidents, and days lost to work-related ill health and fatalities from ill health) divided by the number of hours worked, multiplied by 1,000.

Data Calculation Methodology

Occupational health and safety data refers to both manufacturing and non-manufacturing sites and includes employees, contractors, and agency workers. This data does not include senior managers, in line with Iveco Group's internal occupational health and safety (H&S) procedures.

Given the variability in the use of contractors and agency workers at Iveco Group sites worldwide during the reporting period, their total numbers are based on simple calculations. Figures are full-time equivalent (FTE) and calculated based on respective total hours worked. Injury rates were calculated excluding commuting accidents, i.e., those involving employees during normal commutes between place of residence and work. When calculating injury rates for contractors, hours worked may have been estimated. In calculating days lost, days refer to calendar days.

Iveco Group's internal occupational health and safety (H&S) procedures define an injury as an undesired traumatic event occurring in the course of work, caused by a violent factor, which results in harm to a worker's health or in the worker's inability to work. To enable comparability and consistency across locations worldwide, these procedures and criteria apply to all Iveco Group sites, and this is reflected in the data reported in the Sustainability Statement.

The 2024 figures were recalculated – and reported separately as recast data – to reflect the exclusion of Iveco Group's former Fire Fighting Business Unit and enable comparability with the 2025 reporting perimeter.

In 2025, management at one of the Group plants carried out an internal review of its H&S data and identified certain anomalies resulting from the incorrect application of the Group's internal procedure on H&S KPI accounting. The figures were therefore revised and updated (in line with ESRS requirements⁽¹⁰¹⁾ on presenting comparative information and reporting errors), and the 2019-2024 data restated accordingly. The sum of the 2024 restated numbers of recordable work-related injuries, as reported in the previous three 'Health and Safety Performance' tables (covering Group employees, agency workers, and contractors, respectively), was 123 (against the total of 90 reported prior to the restatement); all related figures (e.g., injury frequency and severity rates) were restated accordingly.

The 2019 base year figures (used for targets) were recalculated adopting the same approach as for the 2024 figures.

7.11 PEOPLE DEVELOPMENT (S1-4)

Iveco Group implements a series of measures to address the material impacts related to people development identified through the materiality assessment. More specifically, these measures, outlined below, are designed to prevent, mitigate, and/or remediate any negative impacts on the workforce while maximising positive ones. Where applicable, outcomes are monitored through specific quantitative KPIs.

⁽¹⁰¹⁾ See 1.1 General Basis for the Preparation of the Sustainability Statement.

7.11.1 Performance Development Process (S1-13)

Iveco Group's Performance Development Process (PDP), launched in 2023, is based on the concept of using dialogue for development and of setting goals and objectives through both a top-down and bottom-up approach. The main goal is to ensure a talent assessment process where development is given as much weight as performance, and where the overall evaluation is transparent. The process is hence designed to be more human-centric. To ensure it is both effective and engaging, it includes regular checkpoints between managers and employees throughout the year to provide frequent feedback on performance and development. This continuous and ongoing two-way feedback is meant to align individual objectives with Group goals, and the development dialogue focuses as much on goal achievement and adherence to Group-endorsed Behaviours as on each person's aspirations, needs, and potential. Employees are evaluated not only on what they have done, but also on how they have done it, with feedback driving motivation and ensuring alignment with the Group's Values and culture.

The outcomes and areas identified for improvement are openly discussed between manager and employee, paving the way for continuous performance improvement. Upon completion, employees can access their respective evaluations online. Furthermore, at any point in the process, they can enter details on their professional aspirations and request specific training (such as coaching, exposure to senior management, etc.) on the areas they need to address. This unique skills mapping and appraisal process is supported by IT systems that give managers full access to up-to-date information on the people within their organisational units, and on those indirectly in their reporting line. Individual employee evaluations are therefore also accessible to and can be examined by senior management within the organisational structure.

The assessment phase of the process also entails bottom-up sharing and alignment between teams to ensure appraisals are consistent both with achieved results and among comparable roles and teams. The main point is that the PDP provides a cohesive, transparent, and above all individual-focused management framework for employee development.

Each employee is assessed through the PDP according to eligibility guidelines (for example, the employee must have worked at Iveco Group for more than 3 months), with all eligible employees taking part in the process.

In 2025, 11,324 employees (representing 100% of those eligible and 32% of the global employee headcount) participated in the PDP. Of these, almost 28% were female and 72% male, reflecting the same gender distribution as among Group employees at salaried-and-above levels.

In line with the Group's *achieve and earn* philosophy, designed to promote a culture of excellence and rewards, performance development assessment results determine the individual contribution component of eligible employees' variable compensation. This demonstrates the extent to which Iveco Group values a results-driven culture and rewards both achievements and behaviours.

In 2025, the Group set key sustainability targets related to its social, environmental, and climate change efforts (the social ones also focusing on diversity, equity, and inclusion). These targets (the achievement of which affects variable compensation) were incorporated into the PDP, and duly assessed for relevant employees at different levels, including Sustainability project leaders, Energy, Environment, Health and Safety (EHS) managers, and other staff at plant level.

'Focus' was the theme that shaped Iveco Group's 2025 strategy and guided the Organisation throughout the year. It provided direction to further enhance quality, improve customer satisfaction, stay ahead of the competition, optimise costs, and increase profitability, while also inspiring employees to take pride in their work. These goals remained central to the Group's collective efforts, with the Focus Strategy integrated into the annual objectives of all employees. The Group also continued its top-down and bottom-up approach to target setting, ensuring that everyone aligned their objectives with the Organisation's commitments in terms of customers, quality, cost, and ESG, all in support of overall growth.

7.11.2 Talent management and succession planning

Universities, social media platforms, career events, and job fairs are a focal point of Iveco Group's recruiting efforts around the world. The Group supports several universities, which affords it privileged relationships, a strong presence on campus, and regular student internships. In some cases, it directly sponsors individual postgraduate students to carry out research projects at its sites. In others, university scholarships are awarded to students studying in fields aligned with its recruitment priorities.

Iveco Group operates in a dynamic, highly competitive industry where success is achieved by identifying talented individuals within the Organisation and appointing the right people to key positions. These objectives are at the core of the talent review process, which aims to identify those individuals with growth potential and to support and accelerate their development.

In 2022, the Organisation established its **Leadership Framework**, which defines what leadership means at Iveco Group. It is built around 9 specific competencies and, to help managers and leaders improve in each of them, new learning modules are continually being developed. The Framework is applied consistently to ensure Group-wide alignment, providing a common language that everyone understands and that facilitates open discussion around leadership competencies.

The talent review process begins with managers assessing their team members, followed by roundtable discussions on talent involving leadership teams at all levels to align and validate the assessments. These roundtables ensure that decisions on talents are made collectively, transparently, and objectively, which minimises bias and further supports the Group's DEI commitment.

After the talent assessment and validation process, managers and employees engage in a two-way Dialogue for Development to ensure alignment with the Leadership Framework assessment, to identify clear areas for development, and to define a development plan to foster the employee's growth.

The individuals identified as talent are offered development opportunities (formal training combined with exposure to senior management, mentoring, coaching, and on-the-job training), which allow them to gain experience and skills while enabling the Organisation to develop effective succession plans that give priority to candidates from within Iveco Group. Indeed, in 2025, 49% of open positions across the Organisation were filled by internal candidates⁽¹⁰²⁾.

In all countries of operation, the Group's preference is to appoint local managers. However, it may opt for international appointments if considered to be development opportunities for talented individuals, or to ensure that specific skills and expertise are transferred between countries. In such cases, the appointed manager is required to contribute to and invest in the selection and development of a local successor.

7.11.3 Learning and development

Iveco Group believes that **employee development** is key to engagement and retention, both of which are in turn crucial to the Organisation's health, growth, and sustainability. To this end, the Group deploys several forms of training to help employees fulfil their potential, sharing its operational and business know-how as well as its strategy and Values. A specific policy on employee training and development has not yet been implemented but is planned for future reporting cycles.

In 2025, Iveco Group invested approximately €7.3 million in learning and development initiatives globally, demonstrating a strong commitment to the growth of its people at all levels. This figure includes not only the pure cost of training within the ON LEARN learning management system (LMS), which was approximately €3.1 million (see 'Training in Numbers'), but also all other costs of people development initiatives, including those managed outside the ON LEARN LMS platform. These other costs cover, but are not limited to: training systems, the newly adopted UdeMY learning library, training materials, MBA and master's programmes, coaching, and costs related to the design of customised learning journeys, particularly under the functional and technical academies.

In line with the human-centric approach of its *Voice* journey, Iveco Group views development as a multifaceted process encompassing, in addition to the more conventional approaches (classroom training, experiential workshops, and self-study), a variety of learning methods such as: coaching, mentorship, learning networks to foster knowledge sharing and, most importantly, on-the-job training.

For this reason, the Group refers to it as a 'learning' process, or model, within its development approach. The **learning model** is designed to adapt more effectively and flexibly to evolving training needs arising from changes within the Group and in the economic environment. This business-oriented learning strategy is built around key content areas such as:

- the fundamentals (covering topics such as soft skills, IT and software tools, language training and cultural awareness, and digital transition awareness)
- the Leadership Lab (aimed at building and strengthening the 9 competencies of the Leadership Framework)
- technical, functional, and job-specific skills (based on roles and areas of expertise).

All of the aforementioned learning opportunities are accessible to all employees and deployed consistently throughout the Group.

Learning at Iveco Group entails a 4-step process: training needs identification, content development, programme delivery, and reporting. Ownership of each lies with different functions and business units, depending on which areas of content or expertise need to be improved.

The overall learning process is managed through the ON LEARN platform, the online global learning management system for developing the most effective and comprehensive learning processes for each employee based on business, location, and/or individual needs. It builds upon the Group's academies and training programmes specific to each business unit and function.

More than 24,000 e-learning courses (offered in multiple languages) are available to Iveco Group employees worldwide through the UdeMY Business learning library, enabling them to learn at their own pace. This approach ensures a consistent and inclusive learning experience for everyone, regardless of geographic location.

Dialogue for Development (integrated into both the Performance Development Process and the talent review process) offers employees the opportunity to reflect on their strengths, development areas, and professional aspirations and to discuss them with their managers. Together, they define the most appropriate development actions to support personal growth over the year and beyond. Each development plan is therefore unique and requires employees to play an active role in identifying their needs, determining appropriate development actions, and taking responsibility for their own progress. The identified actions are then shared with the relevant HR Department, evaluated, and implemented according to organisational needs and priorities. The role of the manager is to help individuals see how their aspirations, goals, and passions align with the Group's mission, goals, and strategies, and to support them in realising their potential.

The Leadership Lab

The Leadership Lab, one of the pillars of the learning model, was established in 2023 as part of Iveco Group's cultural transformation journey to build and strengthen its people's leadership skills at all organisational levels.

Leadership Lab contents are designed in line with the Leadership Framework, and currently include:

- the **Group Leadership Programme** (GLP): a learning journey for people identified as high-potential talents (see 7.11.4 Employee Development Programmes and Talent Retention)

⁽¹⁰²⁾ Calculated by dividing the number of positions filled by internal candidates in 2025 by the total number of positions filled in the same year.

- **Leadership Essentials:** a series of 9 courses, each covering a different Leadership Framework competency. The live, online or classroom-based sessions are available in 7 languages for all office-based employees, regardless of their role or level. The contents have been designed to ensure consistency and alignment with Iveco Group's Values and culture. In 2025, 70 sessions were delivered globally to approximately 1,400 participants
- **Moments That Matter:** a set of resources (live or recorded webinars, manuals, etc.) to support managers at specific points on the employee's journey (Performance Development, Leadership Framework Assessment, Voice Dialogue & Action). A total of 5 Group-wide livestreams were held during the year, averaging 1,000 participants each and with high engagement throughout.

Training in Numbers (S1-13)

In 2025, the training that the Organisation provided exclusively under the ON LEARN LMS platform (and covered by the approximately €3.1 million investment) totalled 343,112 training hours, delivered to 22,915 employees. For details on the specific training modules delivered, refer to the following sections:

- Code of Conduct (see 11.4 Corruption and Bribery)
- anti-corruption and bribery (see 11.4 Corruption and Bribery)
- antitrust and competition (see 11.3 Business Conduct and Corporate Culture)
- energy resource conservation (see 3.4.1 Scope 1 and 2 Emissions Actions and Targets)
- diversity, equity, and inclusion (see 7.8 Diversity, Equity, and Inclusion)
- occupational health and safety (see 7.10 Occupational Health and Safety).

Training in Numbers^(a)

	2025	2024
Training hours (number)	343,112	450,619
Average hours of training per employee (number)	9.7	12.5
Average amount spent per employee (€)	86.5	122.9

^(a) Information disclosed according to sustainability rating agency requirements.

Hours of Training by Type of Training^(a) (number)

	2025			2024		
	Job-specific expertise	Management & Soft skills	Languages & ICT tools	Job-specific expertise	Management & Soft skills	Languages & ICT tools
Training hours	267,626	26,382	49,104	307,813	96,993	45,813
Average hours of training per employee	7.6	0.7	1.4	8.5	2.7	1.3

^(a) Information disclosed according to sustainability rating agency requirements.

Hours of Training per Employee by Gender (number)

	2025		2024	
	Male	Female	Male	Female
Training hours	261,444	81,668	345,382	105,237
Average hours of training per employee	9.3	11.2	12.0	14.7

*Hours of Training per Employee by Category
(number)*

	2025				2024			
	Hourly	Salaried	Professional	Manager	Hourly	Salaried	Professional	Manager
Training hours	137,592	67,663	102,305	35,552	159,554	84,852	131,621	74,592
Average hours of training per employee	6.0	14.7	18.1	16.5	6.8	17.4	23.4	33.9

*Hours of Training per Employee by Age Group^(a)
(number)*

	2025			2024		
	Under 30 years	30 to 50 years	Over 50 years	Under 30 years	30 to 50 years	Over 50 years
Training hours	54,718	209,022	79,372	55,382	285,376	109,861
Average hours of training per employee	13.7	10.5	6.9	13.3	13.7	9.9

^(a) Information disclosed according to sustainability rating agency requirements.

Data Calculation Methodology

Data and information related to people development were collected, where available, through dedicated IT management and control systems (such as the ON LEARN platform for data on training) to ensure reliable information flows and data accuracy, or through spreadsheets populated directly by the representatives of each thematic area worldwide and verified by their supervisors.

7.11.4 Employee development programmes and talent retention

Iveco Group firmly believes that a skilled, engaged, and knowledgeable workforce is not only closely correlated with improved performance but also with the long-term sustainability of the business.

Development programmes are designed to foster a culture of continuous learning and growth. Integral to overall strategy, these programmes empower employees to acquire new skills, adapt to evolving business environments, and make innovative contributions to achieving Iveco Group's goals. Moreover, they are a means to enhance employees' sense of belonging, while reducing staff turnover and increasing retention.

In 2023, as part of its Leadership Development offer through the Leadership Lab, the Group launched the **Group Leadership Programme (GLP)**, a structured learning journey targeted at employees identified as high-potential talents. The programme explores the 3 dimensions of the Leadership Framework, providing people with new tools and knowledge, along with opportunities for networking, reflection, and interaction among colleagues from different departments and locations. Spanning a 5-month period, the GLP is structured into 4 workshops (2 webinars and 2 in-person sessions) and 3 action-learning opportunities, during which participants are engaged in individual activities, group coaching, and peer coaching.

The programme's main objectives are:

- to provide a clear understanding of what leadership is at Iveco Group
- to equip leaders with the right mindset and tools to grow into strong leaders (based on the 9 competencies of the Leadership Framework)
- to increase the engagement of participants, enabling them in turn to further engage their teams and enhance their people's development (which translates into business benefits in terms of productivity, innovation, and inclusion)
- to build a network that can be leveraged to encourage ongoing interaction and collaboration beyond the programme itself.

In 2025, 120 people (comprising 2 cohorts) graduated from the GLP, while an additional cohort of 60 people started the programme. 51% of those who graduated (62 people in total) advanced to new positions during the year, accelerating their development within the Organisation.

Outplacement

Iveco Group has specific programmes in place to manage career transitions, helping employees move on to new jobs and find their bearings in the job market. In some countries, it also offers outplacement services that are outsourced to carefully selected external partners. Based on specific needs, and at the Organisation's discretion, outplacement services are also offered to managers.

7.12 WELFARE AND WELLBEING (S1-4)

Iveco Group implements a series of measures to address the material impacts related to employee welfare and wellbeing identified through the materiality assessment. More specifically, these measures, outlined below, are designed to prevent, mitigate, and/or remediate any negative impacts on the workforce while maximising positive ones. Where applicable, outcomes are monitored through specific quantitative KPIs. It is common practice for Iveco Group to offer wellbeing initiatives to its people in addition to traditional benefits (such as healthcare), going beyond legal obligations in the countries where it operates. Time- and money-saving initiatives and flexible working arrangements help employees balance their personal commitments, while family initiatives, community engagement activities, and involvement in Group life enhance employee motivation, pride, and sense of belonging in the workplace.

Iveco Group recognises that its **people's wellbeing** is directly linked to their ability to balance professional and personal commitments, which is why it offers several programmes and services to support them.

In 2025, a wide range of Group initiatives focused on **health, disease prevention, and mental wellbeing**.

Flu vaccination campaigns were carried out in Germany, Austria, the UK, Argentina, France, and the Czech Republic, benefitting thousands of employees and helping reduce absenteeism. In the Czech Republic, the *Week of Health* initiative provided comprehensive health checks, mental health seminars, and healthy food options, involving over 2,000 employees.

In France, **mental health support** was offered through the Moka.Care platform, providing hundreds of employees with access to coaching, psychologists, and wellbeing resources. In the UK, employees benefitted from private medical insurance, including mental health coverage and counselling services delivered through the Group's occupational health provider, while in the USA, the Employee Assistance Program and wellness discounts were in place to support employees' mental resilience.

Cancer prevention campaigns were also a priority. In France, during Pink October, breast cancer awareness was promoted through on-site activities and donations, while in Italy and Spain, mobile screening services and large-scale prevention programmes focused on breast and prostate cancer, benefitting thousands of employees.

Childcare support continued across several countries. In Germany, employees received discounts at local day care centres, while in Argentina, school kits and kindergarten subsidies were provided to families. In France, the Vénissieux site reserved nursery places for employees with young children. Meanwhile, designated breastfeeding areas, ensuring hygiene and privacy, were maintained at sites in Argentina and other locations worldwide.

These initiatives reflect Iveco Group's global commitment to promoting health, wellbeing, and work-life balance for all employees.

7.12.1 Flexible working

Iveco Group believes in improving employee wellbeing through flexible work arrangements, as permitted by local customs and regulations, by the organisational requirements in place, and by the job requirements of each position. Flexible working hours, including part-time employment, help employees balance work demands with family responsibilities, enabling them to manage their time to suit their needs (such as those related to childcare, care for the elderly, or other personal matters). These measures help the Group establish and maintain a positive working environment for all employees.

In 2025, the Organisation analysed the flexible working arrangements offered to its people, focusing on flexible working hours and parental and other forms of leave. The wide-ranging analysis helped identify appropriate actions to improve employee work-life balance, and revealed that 93.8% of the employees involved⁽¹⁰³⁾ made use of a flexible work schedule that allows them to choose the time they clock in and out (within limits set by local policies).

Several schemes were further expanded to provide employees with greater flexibility to work from different locations. The *Work from Home* scheme, which allows people to work from home for up to 12 days per month (subject to local policies), is now available in more than 20 countries, benefitting over 10,000 employees globally. These programmes enhance work-life balance, employee flexibility, and engagement, aligning with modern workplace trends.

In Italy, the Group offers the *Venerdì Breve* (Short Friday) scheme that allows people to vary the number of hours worked per day, provided they work their set contractual hours per week (e.g., 8.5 hours from Monday to Thursday and 6 hours on Friday).

7.12.2 Family leaves (S1-15)

The equal opportunities offered by Iveco Group extend to family leaves and are evidence of its commitment to encouraging both female and male employees to balance parental responsibilities with their careers. Family leaves are granted to all employees, in compliance with local regulations (labour law requirements may vary from country to country), collective labour agreements, and Group policies.

In 2025⁽¹⁰⁴⁾, 60% of Group employees were eligible for maternity leave, with 2% of those eligible taking it. 100% of the overall leave was taken by female employees. Meanwhile, 88% of employees were eligible for paternity leave, with 3% of those eligible taking it. 98% of overall leave was taken by male employees, 2% by female employees.

⁽¹⁰³⁾ Data collected for all Group employees, excluding hourlies.

⁽¹⁰⁴⁾ As family leave KPIs are subject to a phase-in period, they are reported voluntarily based on data collected over a limited timeframe (January-October).

In Italy and Spain (which collectively represent 52% of the global employee headcount), employees are entitled to at least 11 weeks of paid maternity or paternity leave.

Carers' leave⁽¹⁰⁵⁾ was available to 95% of Group employees, with 5% of eligible employees taking it. 80% of the overall leave was taken by male employees, 20% by female employees.

It should be noted that, in some cases, carers' leave is paid. This is the case in Italy, where paid leave is provided to support a family member in the event of serious illness.

In some instances, the family leave conditions offered by the Organisation (defined according to corporate policy or agreements with trade unions or employee representatives) are more favourable than those required by law. In Germany, for instance, additional leaves are granted for significant life events, such as childbirth, and to provide support to employees during critical times in their lives.

7.12.3 Sense of belonging and pride

Across Iveco Group, numerous initiatives in 2025 helped strengthen employees' sense of belonging, pride, and connection to their workplace communities. *Family Days* and open-house events were organised in several locations, giving employees and their families the opportunity to visit sites, learn about Group operations, and take part in celebrations together. In Italy, for example, the *Family Day* organised to celebrate IVECO's 50th anniversary in Brescia was attended by more than 1,000 people. In France, similar engagement activities included a well-attended *Family Day* in Annonay, with over 1,400 visitors, as well as ceremonies recognising employees for their long service to the Organisation. In Germany, around 750 people took part in an on-site *Family Day*. In the Czech Republic, initiatives such as the *Iveco CR Open Day* attracted more than 6,000 visitors, reinforcing a strong sense of community among local employees and their families.

Celebrations dedicated to **employees' children** were also central to the Group's approach. In December, the Iveco Group Industrial Village in Turin (Italy) was transformed into a *Winter Circus* hosting more than 6,800 employees with their families and friends over the two-day event, with festive shows and the distribution of gifts to children. Christmas presents were also given to children in Switzerland and to over 1,600 children in Brazil. In Italy and Argentina, other Christmas initiatives brought joy to more than 1,900 children while reinforcing the Group's family-friendly culture. In Brazil, the *Gente Grande por um Dia* (Grown-Ups for a Day) programme welcomed over 500 children and teenagers to experience a day at their parents' workplace, strengthening emotional connections and shared pride.

Group employees were involved throughout the year in many community-based and skills-based **volunteering initiatives** aimed at supporting people, society, and the environment, and in activities to raise awareness of socially relevant issues. These efforts resulted in approximately 3,100 employees at various sites donating a total of 31,362 hours of volunteering. The ever-popular *Volunteering Day* event was held once again, with over 550 employees worldwide taking part in various initiatives to positively impact local communities, including collecting and distributing food, cleaning communal areas, and supporting children's associations. In Turin (Italy), in collaboration with Rise Against Hunger, 900 food kits were assembled and distributed to over 1,300 people in need. In its third year, the event brought together over 200 people, a strong turnout reflecting the active engagement of Group employees, whose contribution was key to the event's success. Similarly, hundreds of employees worked side-by-side with NGOs in various cities, including: Bolzano, Foggia, Suzzara (Italy); Madrid (Spain); Arbon (Switzerland); Vysoke Myto (Czech Republic); Aurora (USA); Cordoba (Argentina); Contagem and Sete Lagoas (Brazil); and Shanghai (China).

Sport, wellness, and recreational activities played a significant role in building community spirit across regions. Employees participated in running events, cycling races, football tournaments, and wellness challenges that promoted active lifestyles while strengthening social bonds. In Spain, the *Race Against Cancer* in Valladolid saw almost 500 employees taking part; in France, the *Ardéchoise* cycling race brought together more than 100 participants; and in Italy, charity and wellness initiatives such as the *Pigiama Run* and site-level sports programmes engaged employees in both physical activity and social initiatives. In Brazil, the *IVG Soccer Cup* involved more than 300 employees, while other wellness programmes benefitted thousands through gamified fitness challenges and coordinated wellbeing activities.

Together, these initiatives – including large celebration events, family engagement, children's activities, and sports and wellness programmes – helped cultivate a strong sense of belonging and pride among employees across the Group.

7.13 INDUSTRIAL RELATIONS (S1-8)

Iveco Group qualifies as an EU-scale group of undertakings, and is therefore subject to regulatory provisions designed to improve workers' rights to information and consultation through the establishment of a European Works Council (EWC). Requests to begin negotiations on the establishment of an EWC were received by the Group from the trade unions in two different countries in July and October 2023, respectively. Procedures were subsequently initiated, in accordance with applicable legislation, to enable employee representatives to establish a Special Negotiating Body (SNB) responsible for negotiating with management on the establishment of the EWC and for determining, among other things: the scope of the EWC's duties and powers, its size and composition, the powers and length of the EWC members' mandate, and the information and consultation process. During 2025, in-person and online negotiations with the SNB on the EWC agreement took place following specific training in late January organised with the support of the European Trade Unions Institute (ETUI).

7.13.1 Freedom of association

As stated in its Code of Conduct, Iveco Group recognises and respects the right of its employees to be represented by trade unions or other representatives established or appointed as per local applicable law.

⁽¹⁰⁵⁾ Leave granted to employees to provide personal care or support to a relative or a household member in need of significant assistance due to a serious medical condition.

An analysis of unionisation was carried out during the year in most of the Group's countries of operation, each of which has its own specific legislation regulating freedom of association. In certain countries, the level of trade union representation cannot be verified because an employee's union membership is considered a private matter and, as such, is not communicated to the employer.

At the time of the analysis, 10 countries were excluded due to data privacy protection (accounting for 20% of Iveco Group employees), whilst 19 countries (accounting for 3% of the population mapped) had no employees affiliated with a trade union.

It should be noted that the absence of employee affiliations with trade unions does not prevent employees from establishing representation bodies with information, consultation, and negotiation rights. This is the case in Romania and Poland, for instance, where around 220 Iveco Group employees (representing 20% of the total employee headcount of the 19 countries with no employee affiliations to trade unions) elected just such a representative body.

The results of the analysis on unionisation, conducted in 9 countries (accounting for 77% of total Group employees), are reported below.

Union Membership (%)

Country	2025		2024	
	Union membership	Non-union membership	Union membership	Non-union membership
Lithuania ^(a)	80.0	20.0	80.0	20.0
Ethiopia	73.6	26.4	77.5	22.5
China	75.8	24.2	75.8	24.2
Argentina	70.8	29.2	68.1	31.9
Spain	63.8	36.2	61.4	38.6
Italy	42.6	57.4	41.4	58.6
Czech Republic	29.7	70.3	31.7	68.3
South Korea	5.1	94.9	2.4	97.6
Brazil	0.2	99.8	0.4	99.6

^(a) In Lithuania, the total number of employees is less than 10.

7.13.2 Representative bodies (S1-2)

Representative bodies, normally elected by workers at their respective plants, have the right to be informed and/or consulted and/or to enter negotiations on a number of issues, as defined by law or applicable collective agreements. Thus, the Group regularly engages with workers' representatives on working conditions, including health and safety in the workplace, wages and benefits, operational issues (working hours, shifts, collective vacations, etc.), training, equal opportunities, as well as corporate restructuring, collective redundancies, and so on. In the countries within the European Union, the establishment of employee representative bodies is envisaged for companies and/or sites where employee numbers exceed the minimum limits specified by national laws or procedures.

An assessment carried out in 2025 in all of Iveco Group's countries of operation revealed the absence of any employee representative bodies in 23 of those countries (accounting for 4.1% of the employees analysed). Worldwide, more than 93% of Iveco Group employees are covered by representative bodies.

7.13.3 Joint committees (S1-2)

In 2025, data showed that more than 82% of Iveco Group employees worldwide were represented by occupational health and safety joint committees (i.e., committees made up of both Organisation and worker representatives). Globally, joint committees addressing equal opportunities, training, and pay were found to represent 68.2%, 57.2%, and 6.7%, respectively, of the employees analysed, while 68.2% of them were represented by joint committees that deal with other issues.

7.13.4 Collective bargaining agreements (S1-8)

As at 31 December 2025, collective bargaining agreements (CBAs) covered 94.7% of Group employees. This is an average figure, the actual percentage per region or country depending on local practices and regulations. It should be noted that 52.6% of the agreements reached in 2025 at Group level were signed with unions or employee representatives collectively representing more than 50% of Iveco Group's employees. Meanwhile, 5.3% of the employees assessed were located in countries or at legal entities or sites where CBAs are unavailable; for 17.7% of these employees, employment terms and conditions are determined based on the CBAs covering other Group employees in other countries, or on the CBAs in force at other organisations.

Collective Bargaining Coverage and Social Dialogue

2025	Collective bargaining coverage		Social dialogue
	Employees – EEA ^(a) (for countries with >50 employees representing >10% total employees)	Employees – Non-EEA ^(a) (estimate for regions with >50 employees representing >10% total employees)	Workplace representation (EEA ^(a) only) (for countries with >50 employees representing >10% total employees)
0 - 19 %	—	—	—
20 - 39 %	—	—	—
40 - 59 %	—	—	—
60 - 79 %	—	—	—
80 - 100 %	Czech Republic, France, Italy, Spain	South America	Czech Republic, France, Italy, Spain

^(a)European Economic Area.

2024	Collective bargaining coverage		Social dialogue
	Employees – EEA ^(a) (for countries with >50 employees representing >10% total employees)	Employees – Non-EEA ^(a) (estimate for regions with >50 employees representing >10% total employees)	Workplace representation (EEA ^(a) only) (for countries with >50 employees representing >10% total employees)
0 - 19 %	—	—	—
20 - 39 %	—	—	—
40 - 59 %	—	—	—
60 - 79 %	—	—	—
80 - 100 %	Czech Republic, France, Italy, Spain	South America	Czech Republic, France, Italy, Spain

^(a)European Economic Area.

It should be noted that the employees in the Czech Republic, France, Italy, and Spain represent 73.1% of Iveco Group's global headcount, while those in South America account for 11.1%.

In 2025, Iveco Group signed a total of 171 collective labour agreements (CLAs) at either Group, legal entity or plant level, 12.9% of which included provisions on health and safety matters. European Directive 104/2008 stipulates the principle of equal treatment for temporary agency workers. In particular, it specifies that the basic working and employment conditions that apply to a company's employees must also apply to the hired temporary workers performing the same job, for the duration of their assignment. Basic working and employment conditions are those established by legislation, regulations, administrative provisions, collective agreements, and/or other binding general provisions in force at a company that relate to pay, working hours, overtime, breaks, rest periods, night shifts, personal time off, and public holidays.

As at 31 December 2025, all of the temporary agency workers with active assignments at Iveco Group's legal entities in European Union countries, representing more than 99% of the Group's active temporary agency workers globally, were covered by the equal treatment provisions outlined above.

Main Issues Covered under the Agreements^(a)

(%)

	2025	2024
Training	27.2	34.2
Wages/pay issues	25.4	28.8
Other	18.5	10.4
Health & safety	9.5	7.7
Operating issues	9.0	9.9
Restructuring	3.9	3.6
Equal opportunities and/or diversity, equity, and inclusion (DEI)	3.9	2.7
Career development	2.2	0.9
Employability and life-long learning	0.4	0.9
Stress management	—	0.9

^(a) Information disclosed according to sustainability rating agency requirements. There is no correlation between the number of agreements and the number of issues covered, as each agreement may deal with several issues.

7.13.5 Restructuring and reorganisation

Iveco Group's best practice, in part derived from past experience under the corporate structure in place until 31 December 2021, is to make every effort to minimise the social impacts of any restructuring or reorganisation. In fact, this is customary practice in all countries where the law requires consultations or negotiations with workers' representatives or trade unions in the event of either. Furthermore, prior to mass terminations, the law normally requires a minimum consultation period or, where no consultation is envisaged, a minimum notice period. Where permitted by the regulations in force⁽¹⁰⁶⁾, the Group minimises the social impacts of restructuring and reorganisation by adopting a series of measures, either individually or in combination, such as: retraining, internal mobility programmes, individual follow-up consultations with employees, reduced working hours, outplacement services, early retirement, and/or compensation more favourable than required by law.

In February 2025, Iveco Group announced its decision to separate its defence business from its commercial vehicles business. Within the framework of the relevant carve-out, the information and consultation procedures with employees/employees' representatives, as required by applicable law, were completed in certain countries for the transfer of assets and employees associated with Brand IDV. These transfers were made to legal entities that are subsidiaries of a defence holding company, fully and directly owned by Iveco Group N.V.. Specifically, effective from 1 November 2025: in **Germany**, assets and 27 employees were transferred from Iveco Deutschland AG to IDV Germany GmbH; in **Italy**, assets and 19 employees were transferred from Iveco S.p.A. to Iveco Defence Vehicles S.p.A.; in the **Netherlands**, assets and 11 employees were transferred from Iveco Nederland B.V. to IDV Nederland B.V.; and in **Spain**, effective from 3 November 2025, assets and 11 employees were transferred from Iveco España, S.L. to IDV Defence Vehicle Espana, S.L.

In **Switzerland**, in 2025, a few additional employees left the Group under the conditions agreed in 2024 as part of the reorganisation at Brand FPT's R&D centre in Arbon, aimed at strengthening its focus on research, advanced engineering, and new technology domains.

In **Brazil**, following a drop in demand at the end of the year, an agreement with the trade union was reached in August to extend, for another 2 years, the hour bank agreement made in 2023, providing for a more flexible approach able to mitigate social impacts whilst satisfying Group needs. The agreement allowed employees to amass up to 220 hours in their individual hour banks, with the option to recoup, in 2026, any hours not worked in 2025. However, the market contraction in the last quarter of 2025 required the implementation of a downsizing plan at the Sete Lagoas plants, owned by IVECO Brasil Ltda and FPT Industrial Brasil Ltda, respectively. Holiday leave was brought forward and employees choosing voluntarily to leave the Group were not replaced. Workforce reduction was carried out gradually in November and December as production needs fell. In total, about 110 hourly workers were affected (of whom 23.6% were temporary) and handled in compliance with all legal requirements, including in relation to the financial provisions to which they were entitled.

7.13.6 Labour unrest

In **Italy**, hours lost due to strikes decreased by 4% in 2025 compared to the previous year, reflecting a lower level of labour unrest. It should be noted that almost 72% of the total strike hours were due to external factors unrelated to Iveco Group (such as solidarity strikes for workplace accidents at other companies or strikes against government measures).

In **France**, the level of labour unrest in 2025 slightly increased compared to the previous year. Unlike previous years, most of the strikes were related to external factors, mainly government budget measures.

In the Group's other countries of operation, episodes of labour unrest during the year were absent or negligible.

7.14 HUMAN AND LABOUR RIGHTS MANAGEMENT (S1-17)

7.14.1 Human rights assessment

Iveco Group monitors respect for human rights across its internal operations and throughout its supply chain and customer base by means of dedicated processes for each area, as described in the following sections.

The Group's voluntary commitment to its material sustainability matter *Working conditions and human rights of own workforce* is reflected by the sustainability **target** included in the Sustainability Plan: to complete a human rights assessment cycle (for the 2025-2027 period) by year-end 2027, covering 100% of employees working in internal operations. This target, consistent with Iveco Group's Human Rights Policy, aims to ensure processes are continuously updated to reflect best human rights practices and applies to all Group activities. It was set following the Organisation's first human rights assessment cycle completed the previous year, which covered 100% of its employees during the 2022-2024 period.

For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

⁽¹⁰⁶⁾ For example, early retirement is applicable only if provided for by the law of the country in question. Furthermore, unless supported by an adequate scheme formally recognised by the relevant public pension system, any solution mandating early retirement risks harming rather than helping employees.

To monitor human rights across its internal operations, the Group has a structured process to identify areas of potential risk or non-compliance in need of further assessment and to implement mitigation measures where necessary. The initial self-assessment phase of this process, overseen by the HR Department of the country in question, evaluates compliance with the Human Rights Policy and with international human rights standards. This is followed by a second phase of on-site audits to address any critical issues identified through the self-assessments and to define any remedial actions needed for continuous improvement. The Group also conducts detailed human and labour rights risk assessments when acquiring significant new businesses, operations, or projects, typically as part of the due diligence process and often with the assistance of specialised external law firms or advisors.

Self-Assessments

To monitor respect for human rights within its internal operations⁽¹⁰⁷⁾, the Group conducts an annual impact assessment survey that involves several countries selected in rotation, so as to cover 100% of internal operations over the course of 3 years. The countries are always analysed in the same order over this 3-year assessment period to ensure continuous coverage of 100% of the countries in which the Group operates. The aim of the survey, involving self-assessment questionnaires filled out by Iveco Group's HR country managers, is to identify and prevent any adverse corporate impacts on key human rights aspects, including:

- general human rights measures
- child labour and young workers
- forced labour (including human trafficking)
- harassment
- non-discrimination and the right to equal remuneration (also covering the rights of women, indigenous people, and migrants)
- freedom of association (including the right to collective bargaining)
- employment conditions
- privacy
- occupational health and safety
- security
- local communities (social and economic development based on their specific needs).

Internal Human Rights Assessment

	Countries involved	Employees involved (%)	Employees involved (number)
2023	Argentina, Brazil	11	3,854
2024	Algeria, Australia, Belgium, Bulgaria, China, Czech Republic, Denmark, Ethiopia, Finland, India, Indonesia, Lithuania, Morocco, Netherlands, New Zealand, Norway, Poland, Romania, Russia, Serbia, Slovakia, South Africa, South Korea, Sweden, Thailand, Tunisia, Türkiye, UK, Ukraine, United Arab Emirates, USA	17	5,555
2025	Austria, Bulgaria, France, Germany, Italy, Portugal, Spain, Switzerland	72	25,660

Over the past 3 years, and in each geographic region evaluated – covering 100% of the Group's employees and sites – the assessments have consistently confirmed the presence of policies and controls that ensure respect for human rights in line with local legal requirements. Furthermore, they have not identified any severe human rights violations, including in relation to child labour, forced labour, or freedom of association. The assessments complied with Art. 17 and Art. 18 of the Guiding Principles on Business and Human Rights, 2011⁽¹⁰⁸⁾ (the Ruggie Framework). It should be noted that mitigation plans for more than 200 Group sites are in place in the event that negative impacts related to human rights are identified.

Every year, a specific assessment of Iveco Group's employees worldwide is conducted to monitor the presence of child labour across its legal entities, as well as the level of compliance with the Code of Conduct's child labour principles. In 2025, data collected on 100% of employees confirmed that none of the Group's legal entities employed individuals under the statutory minimum age for employment or apprenticeship set by local laws. It also showed that no minor under the age of 18 employed by Iveco Group under a regular employment or apprenticeship contract was exposed to hazardous working conditions⁽¹⁰⁹⁾.

⁽¹⁰⁷⁾ Joint ventures in which Iveco Group holds at least a 51% interest are included in the perimeter.

⁽¹⁰⁸⁾ United Nations' Guiding Principles on Business and Human Rights: Implementing the United Nations' 'Protect, Respect and Remedy' Framework 2011.

⁽¹⁰⁹⁾ For the purposes of the assessment, hazardous working conditions include: work with dangerous machinery, equipment or tools; the manual handling or transport of heavy loads; exposure to hazardous substances, agents or processes; exposure to health-damaging temperatures, noise levels, or vibrations; and work under particularly difficult conditions (long hours or night shifts).

On-Site Audits

As per Iveco Group's risk management and internal control process, the self-assessments submitted by HR country managers regarding the performance of legal entities and internal operations in upholding human rights may be verified by the Internal Audit Department through specific audits. These are conducted either on-site or remotely, depending on the need for and suitability of in-person verification. The areas posing a potential risk to human rights are identified based on the outcomes of the specific self-assessments, or those of the periodic Risk Assessment (RA) performed by Internal Audit. The RA examines and evaluates the risks associated with each of the Group's auditable legal entities, units, functions, processes, and cross-functional projects or activities. It also considers significant risk information that may emerge from aligned assurance⁽¹¹⁰⁾ activities carried out with Iveco Group's Senior Management and relevant functions, such as Enterprise Risk Management (ERM), Energy, Environment, Health and Safety (EEHS), Compliance, and Sustainability. Risks to human rights may also be identified through complaints or whistleblowing reports mainly received via the Compliance Helpline, with on-site audits then planned accordingly.

On-site audits check the accuracy and completeness of the information provided by Iveco Group's HR country managers, and involve reviewing any documentation and interviewing the managers of the areas under audit. A report is compiled to keep track of all relevant information on human rights issues and of any improvement measures identified during the audits. The report is subsequently shared with the relevant corporate functions, along with any mitigation measures required.

The Internal Audit Plan for 2025 included two human rights audits at the Annonay (France) and Vysoke Myto (Czech Republic) plants, as the Group deemed it important to confirm that human rights processes are designed and implemented to manage a multicultural context effectively. The audits confirmed that controls over clear safety information and training, a safe and inclusive workplace, and working hours management are in place, and emphasised that upholding these standards is essential for safeguarding the rights, wellbeing, and equal treatment of every worker in an increasingly complex environment. To ensure continuous improvement, management has defined short-term action plans to address areas where opportunities for enhancement were identified. These actions will be implemented in close collaboration with the relevant functions, with progress monitored throughout 2026 to ensure that corrective measures translate into tangible and lasting improvements across the sites involved.

7.14.2 Incidents and reported matters

For detailed information on any incidents or matters reported through the whistleblowing channels, including discrimination and harassment during the reporting period, see 11.5 Violations of Business Conduct. In 2025, 241 complaints were reported through Iveco Group's whistleblowing channels, including 44 cases related to discrimination, harassment, and/or sexual harassment. No incidents from 2025 or the previous year resulted in fines, penalties, or compensation payments.

⁽¹¹⁰⁾ A coordinated and collaborative approach to evaluating and ensuring the effectiveness of risk management and control processes across various functions or units within an organisation.

8. WORKERS IN THE VALUE CHAIN (S2)

8.1 APPROACH TO THE SUSTAINABILITY MATTER (SBM-2, SBM-3)

The Iveco Group materiality assessment identified *Workers in the value chain* as a material sustainability matter, linked to the ESRS S2 sub-topic and sub-sub-topics:

- 'Working conditions' (including 'Secure employment', 'Working time', 'Adequate wages', 'Social dialogue', 'Freedom of association', 'Collective bargaining', 'Work-life balance', and 'Health and safety')
- 'Equal treatment and opportunities for all' (including 'Training and skills development')
- 'Other work-related rights' (including 'Child labour' and 'Forced labour').

Some of the expected short-term impacts related to *Workers in the value chain* were identified as negative and described by stakeholders as follows: "An ineffective supplier selection and monitoring system jeopardises satisfactory working conditions (i.e., secure employment, working time, adequate wages, social dialogue, freedom of association, collective bargaining, work-life balance) and leads to human rights violations (e.g., child labour, forced labour), affecting workers in the supply chain"; and "Inadequate engagement with Iveco Group's suppliers leads to failure to comply with safety standards, causing critical incidents and injuries involving workers in the supply chain".

Other expected short-term impacts related to *Workers in the value chain*, on the other hand, were identified as positive and described by stakeholders as follows: "Engagement activities and training programmes involving workers in the supply chain and downstream value chain contribute to the development of specific competencies, and enhance people engagement and satisfaction".

For more information, see 1.9 Identifying and Assessing Material Impacts, Risks, and Opportunities in this Sustainability Statement.

To identify its material impacts, Iveco Group conducted its materiality assessment considering its entire value chain, encompassing the workers involved in both upstream and downstream economic activities as well as those involved in resource extraction and transformation, even though the Group does not purchase raw materials directly. During the assessment of risks and opportunities related to its value chain workers, the Group also focused on those arising from external impacts and dependencies, which were duly considered during the evaluation process.

Based on the assessment, the workers identified as relevant to Iveco Group are those employed at:

- component suppliers
- logistics suppliers
- the Group's dealerships and service network.

The workers who drive Iveco Group vehicles are also considered end users.

8.2 POLICIES RELATED TO VALUE CHAIN WORKERS (S2-1)

Iveco Group strongly supports the responsible management of its entire value chain, as further described in 11.7 Sustainable Supply Chain, and is committed to socially responsible business practices as reflected in its Code of Conduct and corporate policies.

No significant changes to the policies were made during the reporting year.

8.2.1 Supplier Code of Conduct

The Supplier Code of Conduct requires suppliers to treat their workers in a fair and non-discriminatory manner. This includes ensuring equal opportunities and prohibiting any policy that, either directly or indirectly, results in discrimination against workers on any prohibited grounds, including but not limited to: ethnicity, gender, sexual orientation, social or personal status, health, physical condition, disability, age, nationality, religious or personal beliefs, political opinion, or any other legally protected characteristics. Iveco Group will not establish or continue a relationship with any counterpart that refuses to respect the principles of its Code of Conduct, which explicitly endorses the protection of human rights. The Supplier Code of Conduct stipulates suppliers' compliance with local legislation and their respect for:

- labour and human rights
- environmental protection
- trade restrictions/export controls
- business ethics.

The Supplier Code of Conduct applies to Iveco Group's entire supply chain, including all persons and entities (each referred to as a 'supplier') that provide goods or services to the Group or its subsidiaries, outlining the standards to be upheld in their daily business activities. Iveco Group's Board of Directors is responsible for overseeing the implementation of the Supplier Code of Conduct, ensuring compliance while conveying the Group's values and expectations as clearly and explicitly as possible. Suppliers are required to work with Iveco Group to enforce the Code itself, and to pass on its principles to their respective employees, subsidiaries, affiliates, and subcontractors. To ensure the consistent alignment of the supply chain and purchasing practices with the Supplier Code of Conduct, suppliers undergo an Ethical Check. This assessment is conducted by an external third party, using a dedicated reporting system that allows the monitoring of any potential issues that may require further clarification or investigation. This periodic monitoring is regulated by corporate policies and procedures designed to ensure supplier compliance. The Supplier Code of Conduct is aligned with the United Nations' (UN) Universal Declaration of Human Rights, the International Labour Organization (ILO) Standards, and the UN Convention against Transnational Organized Crime. The Supplier Code of Conduct is available in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish) on both the Group's website and Supplier Portal.

8.2.2 Human Rights Policy

Iveco Group's commitment to safeguarding workers' rights is also reflected in its Human Rights Policy, which outlines the principles that every counterpart, from suppliers and service providers to dealers and distributors, must adhere to in conducting business for or on behalf of the Group. These principles include all fundamental human and labour rights, such as fair working conditions, the prohibition of child labour, non-discrimination, freedom of association, and occupational health and safety. Specifically, the policy explicitly states that Iveco Group does not tolerate, and strictly prohibits, the use of forced or compulsory labour, all forms of involuntary servitude or slavery, any form of human trafficking (whether by force, fraud or coercion), sex trafficking, and commercial sex activities by any person covered by the policy. In alignment with the policy, these practices are also strictly prohibited by Iveco Group's Supplier Code of Conduct. The human rights principles included in the aforementioned documents are consistent with the spirit and intent of the United Nations' (UN) Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the relevant Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO). Iveco Group seeks to promote respect for these principles by its contractors, suppliers, and all other entities and individuals with whom it has a business relationship. To this end, the Group engages suppliers throughout the year to promote their continuous improvement in preventing and mitigating social impacts. The Human Rights Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, to those acting for or on behalf of such entities, and to all parties with which the Group conducts business, including but not limited to suppliers, service providers, sales representatives, agents, consultants, dealers, distributors, importers, resellers, and joint venture partners. While it is the responsibility of all persons covered by the policy to ensure respect for human rights, the Senior Leadership Team (SLT) retains executive oversight and responsibility for its implementation. At Group level, the Board of Directors is responsible for overseeing the policy's implementation and ensuring adherence to its commitments, while managers are responsible for overseeing its application at local level. The Human Rights Policy is available on the corporate website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish).

Another demonstration of Iveco Group's respect for human rights is its stand against the use of natural resources extracted in conflict zones. In this regard, the Organisation has adopted both a compliance programme and a **Conflict Minerals Policy** intended to promote the responsible sourcing of tin, tantalum, tungsten, and gold (referred to as conflict minerals or 3TG) from the Democratic Republic of Congo (DRC) and other countries or areas considered at high risk of conflict, where revenues from their extraction have historically funded armed conflict and human rights abuses.

In 2025, there were **no reported cases** of non-compliance with human rights principles involving value chain workers.

8.3 ENGAGING VALUE CHAIN WORKERS (S2-2)

Firmly convinced that suppliers are key to sustainable growth, Iveco Group endeavours to keep them engaged and informed at all times. This continuous dialogue and exchange helps strengthen supplier relationships, providing fertile ground for shared goals and strategies, for thriving collaborations and joint projects, and for preventing and mitigating potential negative impacts.

Engagement activities are carried out through several ongoing channels:

- the **Supplier Portal**, which represents the main collaboration and communication platform used by the Group to interact with its supply chain. It contains the forms, documents, and tools used to exchange information and manage any operations involving suppliers
- the **Open-es platform**, an initiative for increasing supplier engagement with and awareness of sustainability matters, including social issues and human rights. The platform's approach revolves around creating a sense of community and providing a space where experiences can be shared. The opportunity for comparison with other industry companies helps suppliers become more aware of their strengths and more mindful of any areas for improvement and possible action priorities
- ongoing **initiatives** promoting the exchange of ideas and information with suppliers, such as workshops and webinars
- the **Responsible Trucking platform**, a project coordinated by CSR Europe⁽¹¹¹⁾ to improve the working conditions of road transport workers as well as compliance with legislation.

These initiatives are overseen by a dedicated team, which is also responsible for monitoring the suppliers' compliance with the Supplier Code of Conduct and their sustainability assessment process.

⁽¹¹¹⁾ Leading European business network for corporate sustainability and responsibility.

8.4 ADDRESSING NEGATIVE IMPACTS AND VALUE CHAIN WORKER CONCERNS (S2-3)

In 2022, Iveco Group established a Compliance Helpline (see 11.3) to provide suppliers, customers, and other third parties with a dedicated means to report potential violations of applicable laws and corporate policies. This global reporting tool is available in 15 languages and managed by an independent third party. Reports can be submitted in several ways, including anonymously where permitted by law. Available channels include in-person reporting to a manager or other company representative, dedicated phone lines, the relevant section of the corporate website, and a dedicated app for Android and iOS. Additionally, the Group expects its suppliers and business partners to make grievance mechanisms available to their employees. Group policy protects anyone reporting a concern in good faith from retaliation of any kind, as further described in 11.3 Business Conduct and Corporate Culture. A global case management system, implemented in conjunction with the Compliance Helpline, helps ensure the accurate tracking and timely resolution of any investigations, which are primarily conducted by the Internal Audit, Human Resources, Legal, and/or Compliance functions. The process for providing remedies, where needed, is consistent with specific corporate policies and procedures designed to address any form of violation, applicable to all stakeholders within the value chain.

8.5 ADDRESSING IMPACTS, RISKS, AND OPPORTUNITIES FOR VALUE CHAIN WORKERS (S2-4)

8.5.1 Upstream value chain workers

Iveco Group's approach to preventing potentially negative impacts on workers within the upstream value chain is integrated into its overall supplier management system, which monitors, among other aspects, adherence to social standards. Suppliers are selected based on their observance of the Group's social and ethical principles. In this regard, new suppliers are specifically required to sign a formal Commitment Declaration of compliance with both Iveco Group's Code of Conduct and Supplier Code of Conduct. Furthermore, specific contractual clauses require them to demonstrate their commitment to various issues, including promoting workplace health and safety, ensuring non-discrimination, prohibiting forced and/or child labour, and recognising employees' freedom of association. If a supplier fails to adhere to any of the above principles, Iveco Group reserves the right to terminate the business relationship or instruct the supplier to implement a corrective action plan. Supplier performance is regularly monitored, including through sustainability risk assessments meant to identify critical suppliers requiring additional measures, follow-ups, and/or auditing.

In 2025, **sustainability audits** were conducted by external auditors at 80 supplier plants worldwide. Corrective action plans were later formulated for 71 of these to address 745 findings related to environmental, social, and governance (ESG) aspects. These plans focused on topics such as promoting internal communication and engagement, as well as formalising processes and/or procedures for managing the risk of child labour and human rights violations. Action plans are then monitored via follow-up meetings between each supplier and a Group auditor. In the event of defaulting suppliers, further corrective actions are defined and implemented in agreement with the competent internal departments. In 2025, no suppliers were found to be at risk in terms of child labour, forced/compulsory labour, or violation of either freedom of association or collective bargaining, and no severe human rights issues involving value chain workers were reported. Iveco Group's commitment to the workers within its value chain goes beyond mitigating negative impacts, with efforts made to foster dialogue, collaboration, and the continuous improvement of business partners' performance. In this regard, several initiatives were promoted during the year to disseminate sustainability practices across the value chain (see 11.7 Sustainable Supply Chain).

Conflict Minerals

Another demonstration of Iveco Group's respect for human rights is its stand against the use of natural resources extracted in conflict zones. To this end, the Organisation has adopted a compliance programme and a Conflict Minerals Policy intended to promote the responsible sourcing of tin, tantalum, tungsten, and gold (referred to as conflict minerals or 3TG) from the Democratic Republic of the Congo (DRC) and other countries or areas considered at high risk of conflict⁽¹¹²⁾, where revenues from their extraction have historically funded armed conflict and human rights abuses. The Conflict Minerals Policy, as well as the General Purchasing Terms and Conditions (GPTC), requires affected suppliers to conduct a reasonably comprehensive enquiry into the existence and origins of any 3TG in their respective supply chains, and to provide written evidence of due diligence by completing the Conflict Minerals Reporting Template (CMRT), in line with Regulation (EU) 2017/821 and subsequent amendments. Iveco Group's due diligence process and measures have been designed to conform, in all material respects, with the due diligence framework presented by the Organisation for Economic Co-operation and Development (OECD) in its 2016 publication *Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*⁽¹¹³⁾ (third edition, OECD Publishing), including its Supplements on gold, tin, tantalum, and tungsten. This due diligence framework is also known as the OECD Guidance. Iveco Group is committed to making every reasonable effort to establish, and require affected suppliers to disclose, whether the products purchased contain 3TG obtained from sources that fund armed conflict or support inhumane treatment in the DRC or other countries or areas considered at high risk of conflict⁽¹¹⁴⁾.

⁽¹¹²⁾ See the *Conflict-Affected and High-Risk Areas (CAHRAs) list of the European Commission*.

⁽¹¹³⁾ See the *'OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas'*.

⁽¹¹⁴⁾ See the *'OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas'*.

The Group has processes in place to record and act on concerns expressed by employees and others about possible improper or unethical business practices or violations of corporate policies (including the Code of Conduct, Supplier Code of Conduct, and Conflict Minerals Policy) or applicable laws. This grievance mechanism is described in the Conflict Minerals Policy. Globally recognised Compliance Data Exchange (CDX) software is used for conflict mineral management, selected for its ability to interface directly with the International Material Data System (IMDS) that the Organisation has used for years to manage substances of concern (SoC) in its vehicles. Through the CDX software, the Group is able to evaluate the CMRTs submitted by about 300 suppliers for a sample of products, and to automatically verify and file the subsequent reports. This setup also enables the suppliers' direct involvement in a qualitative cross-check analysis of CMRTs against the chemical compositions stated in the respective Material Data Sheets (MDS).

In 2025, 109 suppliers sent their updated CMRTs as per OECD guidelines. If the products sold to Iveco Group are found to contain 3TG, suppliers must identify their sources and discontinue procurement, as soon as commercially feasible, of those containing 3TG obtained from sources that fund or support inhumane treatment in the DRC or other countries or areas considered at high risk of conflict⁽¹¹⁵⁾. Iveco Group reserves the right to reassess future business dealings with suppliers that fail to comply with this policy.

Responsible Use of Cobalt

Cobalt is becoming an important material for Iveco Group, being a key element in the lithium-ion rechargeable batteries used in electric vehicles that play a significant role in reducing greenhouse gas (GHG) and polluting emissions. Cobalt is also used in the production of magnetic, wear-resistant, and high-strength engineering alloys, properties that are all critical in efficient vehicle design. The world's largest producer of cobalt is the Democratic Republic of the Congo (DRC), holding more than 50% of global cobalt reserves. In recent years, annual cobalt consumption globally has trended upwards and is expected to rise significantly over the medium term. However, many reports have highlighted concerns over the social and environmental impacts of cobalt extraction, including the use of child labour and unsafe working conditions in artisanal cobalt mining operations.

Having previously benchmarked various companies' best practices under the Group's former corporate structure, in 2025, key lithium-ion battery suppliers were surveyed on their sourcing information in light of Iveco Group's plan to implement a wider due diligence process on the responsible sourcing of cobalt throughout its supply chain. Furthermore, in light of the recently published EU Regulation 2023/1542 on batteries and waste batteries that introduced a new due diligence policy for several raw materials contained in batteries – cobalt, natural graphite, lithium, and nickel – the Organisation readied itself to work with its supply chain and all other stakeholders to evaluate the social and environmental risks of using them.

8.5.2 Downstream value chain workers

As regards downstream value chain activities, Iveco Group recognises the central role that the dealer and service network plays in its interaction with end users. For this reason, the Group believes it is essential to develop the skills and know-how of all dealership personnel, which is why it created a training department to address dealer network training needs and enhance staff knowledge and expertise.

Special training programmes are run every year for approximately 20,000 **dealership personnel** (technicians, salespeople, and after-sales staff), designed according to the strategies and needs of each business unit, brand, and geographic region. The training approach is to build on the dealer network's expertise and ability to meet customer requirements, from tailoring product offerings to individual needs to performing timely repairs to minimise product downtime. The Group offers customised training courses and solutions consistent with current market conditions, as well as a wide range of activities delivered, where possible, in the native languages of dealers and customers. Courses are delivered in many forms, be it face-to-face at company training centres, in virtual classrooms (VCR), or via web-based training (WBT). WBT courses are delivered through Iveco Group's Web Academy platform, which extends their availability and cuts costs by minimising the need to travel. Delivery methods are chosen by course users according to the certification level required. Coaching sessions with expert trainers are also available to provide in-depth knowledge of innovation and technology within the Group's dealer processes.

Before engaging in a commercial transaction with a **customer**, Iveco Group conducts a due diligence screening and risk assessment. Companies, shareholders, and owners are screened against a number of lists – issued, among others, by the UN, the EU, and the USA – intended to counter any specific concerns, including human rights violations. As an additional measure, when appropriate, the Group ensures that its sales agreements include specific end-user contract clauses, or end-user statements and/or undertakings, for certain transactions or locations identified as high risk during the risk assessment.

8.6 TARGETS RELATED TO VALUE CHAIN WORKERS (S2-5)

Iveco Group's commitment to upholding human rights and fair working conditions within the supply chain is reflected in the following **targets** included in the Sustainability Plan, which focus on engagement and training programmes for workers in the value chain:

- 100%⁽¹¹⁶⁾ of Tier 1 suppliers to be involved in sustainability assessments by year-end 2026
- 80 supplier sustainability audits to be executed in 2026
- 100% of dealership staff to be involved in safety training on Iveco Group's electric product portfolio by year-end 2026
- collaborations with 100% of key partners to improve the working conditions and work-life balance of drivers by year-end 2026.

⁽¹¹⁵⁾ See the [Conflict-Affected and High-Risk Areas \(CAHRAs\) list of the European Commission](#).

⁽¹¹⁶⁾ Target progress is calculated as a percentage of Iveco Group's annual purchase value (APV).

For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

9. AFFECTED COMMUNITIES (S3)

9.1 APPROACH TO THE SUSTAINABILITY MATTER (SBM-2, SBM-3)

Iveco Group's materiality assessment identified *Local communities* as a material sustainability matter, linked to ESRS S3. The expected short-term impacts related to this sustainability matter were found to be positive, summarised by stakeholders as follows: "The promotion of community engagement initiatives supports the development of, and value creation for, local communities". During the assessment of risks and opportunities related to affected communities, the Group also focused on those arising from external impacts and dependencies, which were duly considered during the evaluation process. It should be noted that no negative impacts were identified (in terms of being exposed to harm) for any specific group of affected communities. The Group's approach is to support projects that deliver measurable business and investment benefits to its countries of operation, while fostering high-value, long-term partnerships.

The main pillars of the governance model for local initiatives include:

- ESG and local community strategies
- specific decision-making bodies, each with an approval threshold, supported by the Legal and Finance functions
- dedicated control mechanisms, such as a structured approval workflow and budget registers.

9.2 POLICIES AND ENGAGEMENT RELATED TO AFFECTED COMMUNITIES (S3-1, S3-2)

As set forth in its Code of Conduct (see 11.2.1), Iveco Group is committed to community engagement by playing an active role wherever it operates, contributing to local social, economic, and institutional development through specific programmes. The Group considers the material sustainability matter *Local communities* of paramount importance, recognising that engaging them in initiatives fosters their development as well as value creation.

9.2.1 Community Investment Policy

The Community Investment Policy governs Iveco Group's actions in relation to local communities, addressing key impacts and potential risks while supporting the Organisation in achieving its sustainability targets and ambitions. It establishes a framework – at both corporate and site levels – for the development and implementation of community initiatives, ensuring a coherent and consistent approach across Iveco Group worldwide. A Group-wide strategy has also been developed to identify focus areas for initiatives aligned with the expectations of the Organisation's businesses and stakeholders. The Community Investment Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. The Senior Leadership Team (SLT) is responsible for monitoring compliance with the policy, updating it as necessary, and reporting on progress. The policy, available on the corporate website, has been shared with all Group employees and senior management worldwide.

9.2.2 Human Rights Policy

As outlined in its Human Rights Policy (see 7.2.1), Iveco Group recognises that its decisions can have significant direct and indirect impacts on the local communities in which it operates. As such, it places particular emphasis on supporting the most vulnerable communities, while upholding their rights to a healthy environment, property and land ownership, an adequate standard of living, and access to natural resources. Accordingly, the Group is committed to taking all reasonable measures to inform these communities about relevant actions and projects, fostering open dialogue to ensure their legitimate expectations are considered. All stakeholders are expected to act in a socially responsible manner by respecting local cultures and traditions and upholding integrity and good faith to maintain the trust of the community.

9.3 ADDRESSING NEGATIVE IMPACTS AND THE CONCERNS OF AFFECTED COMMUNITIES (S3-3)

Iveco Group established a Compliance Helpline to provide all stakeholders, including affected communities, with a dedicated means to report potential violations of applicable laws and corporate policies. This global reporting tool, managed by an independent third party, is available in 15 languages. Reports can be submitted in the following ways (including anonymously, where permitted by law):

- in person to a manager or other Group representative
- through the corporate website's Compliance Helpline section, managed by a third party
- through a dedicated app, available for Android and iOS
- through dedicated phone lines (calls are directed to a voice mailbox managed by a third party; messages are then transcribed and sent to the Group anonymously).

Iveco Group policy protects anyone reporting a concern in good faith from retaliation of any kind, as further described in 11.3 Business Conduct and Corporate Culture. A global case management system, implemented in conjunction with the Compliance Helpline, helps ensure the accurate tracking and timely resolution of any investigations, which are primarily conducted by the Internal Audit, Human Resources, Legal, and/or Compliance functions. The process for providing remedies, where needed, is consistent with specific corporate policies and procedures designed to address any form of violation, applicable to all stakeholders within the value chain.

9.4 AFFECTED COMMUNITY ACTIONS (S3-4)

Iveco Group believes in making a positive contribution to society in the countries where it operates. It seeks to share its Purpose, Values, knowledge, and resources with its communities in order to foster development, unlock opportunities, and reduce inequalities for people who have fewer prospects due to limited resources. Against this background, the Group has also identified risks and opportunities. For example, local communities' opposition to its activities may cause reputational damage and/or affect business continuity. Furthermore, Iveco Group's credibility and pursuit of long-term equitable social development would be at risk if it supported projects that did not align with community priorities or lacked social impact, or if it collaborated with organisations whose actions were not consistent with its ethical values. Given the scale of challenges facing both planet and people, the Organisation addresses such risks by prioritising projects that deliver measurable benefits to the countries where it operates in terms of business and investments, while establishing high-value, long-term partnerships.

The aspects that could significantly impact local communities, both positively and negatively, and that Iveco Group is committed to improving, concern:

- the impact on the health of workers and their families
- improvements in the welfare of workers and their families
- the impact of atmospheric emissions
- air quality protection
- water management
- waste management and soil/subsoil protection
- biodiversity protection
- adoption of logistics solutions with lower environmental impact.

The Group monitors all of the above, along with other aspects, initiating targeted projects (directly impacting local communities) at those plants where biodiversity protection and water management and monitoring are deemed necessary. When monitoring the impact of its operations on the environment and on local communities, the Group also considers the suppliers that it relies on and has partnered with, and to whom it transfers best practices. In this regard, these suppliers are required to abide by the Organisation's principles on environmental protection, business ethics, and human rights and working conditions (e.g., to reject all forms of forced and/or child labour).

As part of its strategy, Iveco Group has identified 3 main action priorities to reflect its business role in connecting people with other people, with goods, and with services across various locations worldwide:

- **Preserve Biodiversity:** the Group aims to strengthen connections between people and nature by building mutually respectful relationships that recognise nature's intrinsic value (the planet), its instrumental role in economic growth (the economy), and its relational benefits (to human health and cultural identity)
- **Reduce Inequality and Protect Diversity and Vulnerable Groups:** the Group aims to promote the advancement of people, culture, and ideas, and to enhance socio-economic inclusion and technological development, by empowering vulnerable groups and migrants
- **Foster Health and Wellbeing:** the Group aims to play an active role in fostering health and wellbeing, equity, and fairness, so as to deliver improvements in education, income, and individual living and working conditions.

Driven by its commitment to social development, Iveco Group empowers its local communities through 5 pillars of action:

- **Awareness:** raising awareness of a cause or issue that reflects people's lived experience
- **Education:** empowering people and building resilient communities, generating positive repercussions that can potentially extend generations into the future (i.e., developing the skills of tomorrow's workforce by promoting STEM disciplines, literacy, improved education, and problem-solving from childhood to university)
- **Mentorship:** building the community and fostering closer ties to the Group
- **Partnership:** working in community-based partnerships to identify specific needs, assets, and priorities
- **Tailored Projects:** designing and implementing tailored projects aimed at specific outcomes that bridge societal divisions and advocate for a shift 'from stockholder to stakeholder'.

9.5 AFFECTED COMMUNITY METRICS AND TARGETS (S3-5)

The Organisation's voluntary commitment to *Local communities* is reflected by the strategic sustainability **target** incorporated into the Strategic Business Plan: a 50% increase in the number of students involved in educational activities by year-end 2026 (compared to 2019), focusing on the jobs of the future. This target, which is in line with the Group's Community Investment Policy, aims at promoting equity, inclusion, and engagement by focusing on community educational activities and empowering vulnerable groups.

In 2025, the resources allocated by Iveco Group to local communities totalled €3.31 million.

For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

Data Calculation Methodology

Investment data for local communities is categorised as per the principles set out in the Business for Societal Impact (B4SI) Framework. Data is based on accounting data and methods, and also includes estimates. With regard to local community projects, the Group monitors both initiative costs and management costs. The initiative cost may be a cash contribution or in-kind donation by Iveco Group, or volunteer work (the latter is estimated based on the number of hours Group employees spend volunteering for the initiative during paid working hours). Management costs can be internal (i.e., the cost of employee time to manage and organise humanitarian initiatives promoted by the Organisation) or external (i.e., any external expenditure intended to maximise interactions with the community, including the costs of travel, research, and communication).

Time contributions represent the monetary value of hours of volunteer work carried out by employees during working hours (it also includes initiatives where legal entities are fully or partially reimbursed through public funds). The hourly rate is calculated by dividing total employee costs by the number of employees, then dividing the result by the number of working days per year (240), and again by the standard number of working hours per day (8). Figures do not include brand promotion initiatives.

The Group measures the impact of its local community investments according to the B4SI Framework, generating an impact report that is submitted and certified by the B4SI itself. The Corporate Community Investment Form, developed in line with the B4SI Framework, is used to evaluate the types of benefits gained in the 4 major areas potentially affected by any project: people, organisation, environment, and business. Based on this methodology, the 4 areas are weighted and the project's impact on specific aspects within each is rated on a scale from 1 (no impact) to 5 (very high impact). An average rating is then calculated for each area, representing the indicators (KPIs) used to assess the project's overall impact on people, organisation, environment, and business, respectively. The KPIs in detail are:

- benefit to people – positive change in people's attitude or behaviour; skills and personal development; direct impact on people's quality of life
- benefit to organisation – capacity building
- benefit to environment – direct environmental impact; impact on human activities and behaviour
- benefit to business – benefits of volunteering for employees (job-related skills, personal impact, behavioural change); improvement in stakeholder relations/perceptions; business generated; brand awareness.

10. CONSUMERS AND END USERS (S4)

10.1 APPROACH TO THE SUSTAINABILITY MATTER (SBM-2, SBM-3)

Customer centricity is the core principle driving Iveco Group's strategy, shaping everything it does, which is why an open line of communication is crucial with those who use the Group's products in their work. Iveco Group's materiality assessment identified *Product quality, safety, and accessibility* as a material sustainability matter, linked to the ESRS S4 sub-sub-topic 'Health and safety'. Meanwhile, both *Dealer and customer management* and *Digitalisation and connectivity* emerged as entity-specific material sustainability matters.

The expected short-term impacts related to *Product quality, safety, and accessibility* were identified as negative and described by stakeholders as follows: "Non-compliance with product health, safety, and quality requirements impacts drivers and passengers".

The expected medium-term impacts related to *Dealer and customer management* were identified as positive and defined by stakeholders as follows: "Developing and maintaining strong relations with dealers and customers contributes to improving their satisfaction levels".

The expected medium-term impacts related to *Digitalisation and connectivity* were found to be positive, described by stakeholders as follows: "The digitalisation and connectivity of Iveco Group's products contribute to enhancing the customer experience, improving driver satisfaction and safety on the road".

During the assessment of risks and opportunities related to its consumers and end users, the Group also focused on those arising from external impacts and dependencies, which were duly considered during the evaluation process. Meanwhile, with regard to the aforementioned sustainability matters, no material risks and/or opportunities were identified by the stakeholders involved in the assessment. For more information, see 1.9 Identifying and Assessing Material Impacts, Risks, and Opportunities in this Sustainability Statement.

End Users

End users represent the final link in the Group's value chain and include vehicle drivers – whether private owners, fleet operators, or logistics companies – as well as bus drivers and passengers. They rely on accurate and accessible product and service information, such as manuals and product labels, to prevent improper (and potentially damaging) product use. Indeed, any potential negative impacts are associated with product defects or misuse. Designing products that meet rigorous safety standards to protect drivers, passengers, and all other road users is part of Iveco Group's ongoing commitment and its responsibility to the community. The Group makes every effort to deliver safe, secure, and high-quality vehicles by researching, developing, and adopting ergonomic, functional, and technical solutions that enhance product safety and security. Safety-critical product components are identified right from the design phase in specific technical drawings and undergo detailed assessments (e.g., dynamic calculations, structural analysis, laboratory testing, static and dynamic vehicle testing, and type approval testing). In compliance with the Group's quality standards and internal procedures, workstations that manage safety components during production are clearly marked, and the personnel tasked with handling or inspecting these components are suitably trained. Safety components are also labelled to ensure traceability if corrective actions are needed.

As regards road safety, research and development into product safety systems focuses on 3 key areas:

- active safety – aimed at collision avoidance through solutions such as Advanced Driver Assistance Systems (ADAS), Electronic Stability Control (ESC), and Anti-Lock Braking System (ABS)
- passive safety – aimed at damage mitigation
- tertiary safety – aimed at post-crash safety management.

ADAS technologies assist drivers in the safe operation of vehicles. Leveraging digitalisation and connectivity, these systems use advanced sensor technologies, such as radar and cameras, to detect nearby obstacles or driver errors and respond accordingly.

The main ADAS solutions on the market and currently offered by Iveco Group include:

- Advanced Emergency Braking System (AEBS), which alerts the driver to a potential collision and automatically activates the brakes to avoid or reduce the speed of impact
- Lane Departure Warning (LDW), which alerts the driver when the vehicle inadvertently veers into adjacent road lanes or moves too close to road edges
- Adaptive Cruise Control (ACC), which maintains a safe cruising speed and distance from the vehicle ahead while on the road
- Moving Off Information System (MOIS), which alerts the driver to obstacles directly in front of the vehicle before the latter moves off from a stationary position
- Blind Spot Information System (BSIS), which warns the driver of any obstacles on either side of the vehicle
- Lane Keeping Assist (LKA), which helps prevent inadvertent lane drifting by automatically steering the vehicle
- Intelligent Speed Assist (ISA), which provides the driver with continual warnings about the current speed limit
- Driver Drowsiness and Attention Warning (DDAW), which assesses the driver's alertness through vehicle systems analysis and generates a warning if needed

- Passive Lane Change Assist (PLCA), which warns the driver of unsafe lane changes that could cause a collision.

All of the above are active safety systems and tools designed to help prevent road accidents caused by human error, poor driving skills, fatigue, or simple lack of judgment.

However, ensuring driver and passenger safety in the event of an accident requires more than just active safety solutions. The vehicle's construction, especially the chassis, plays a crucial role in absorbing the energy of the impact and in protecting the occupants from subsequent damage to the cabin and from rapid deceleration. Equipped with crash beams and with driver and passenger airbag systems, the Organisation's vehicles are type-approved in compliance with current European occupant safety regulations. Following several studies on **passive safety** and biomechanics, Iveco Group's light and medium commercial vehicles can optionally be fitted with Advanced Occupant Restraint Systems (AORS) for enhanced protection in the event of frontal impact. Light vehicles also come with the additional option of installing window airbags to protect occupants in the event of a side impact.

Manufacturers tend to focus mainly on primary and secondary safety to help drivers avoid accidents, limit their consequences, and reduce the effects of any impacts (kinetic energy dissipation). However, as underlined by Euro NCAP⁽¹¹⁷⁾, road safety is not only about protecting occupants and promoting driver assistance systems. It also concerns better post-crash safety management, a sphere known as **tertiary safety**. It is crucial that first responders know what they should and should not do at the scene of an accident. Intervention within the so-called 'golden hour' is critical, and rescuers need quick and easy access to clear information on a vehicle's construction to safely remove individuals from a crash site. For this reason, Brand IVECO has developed specific rescue sheets and emergency response guides, which are available in the Rescue Material section of its website. Compliant with the ISO 17840 standard (defining information for first and second responders) and available in multiple languages, rescue sheets are standardised summary documents containing crucial information to help rescuers extract occupants quickly and safely. Rescue guides, on the other hand, provide more detailed information that is used to train first responders, with a particular focus on alternative fuel vehicles.

When designing new products, Iveco Group's brands pay close attention to vehicle **ergonomics** to enhance usability for all end users, including drivers as well as passengers. This is even more important when it comes to bus passengers, with every effort made to ensure accessibility, especially for those who are vulnerable (such as the elderly, people with disabilities, and children).

Customers

A key factor in managing customer expectations is the effective handling of customer relations across the board, which includes providing prompt and clear responses and ensuring accessible channels for information requests and problem reporting. This is crucial for achieving long-term success, as it directly impacts customer satisfaction levels. Equally important is enabling customer feedback and suggestions, which help identify necessary improvements to existing product ranges and guide the development of new product lines to meet future market needs. This approach fosters trust and is viewed by stakeholders as an opportunity to promote efficient equipment use while minimising disruptions in case of issues.

Dealers

Dealers act as the customers' first point of contact, offering practical advice on the purchasing options that best meet their business needs and helping them invest the right amount of capital, time, and resources in products and solutions that enhance their productivity. This relationship must be one of mutual trust, whereby customers can depend on prompt assistance and minimum downtime. This is why the Group invests in, and works hard at, continuously improving the customer experience (CX), redefining the customer journey as needed within each of its brand networks through targeted projects: these include the *Retail Excellence Program*, aimed at improving the sales process, and the *Digital Job Card* initiative, focused on service delivery. The combined dealer and service network of brands IVECO, IVECO BUS, and ASTRA is made up of about 1,500 sales points and 3,500 service points. The Network Department drives dealership development, empowering the Group's partners to deliver the best possible experience to end customers. This strategy strengthens the overall network, boosting growth and competitiveness.

10.2 POLICIES RELATED TO CONSUMERS AND END USERS (S4-1)

As stated in Iveco Group's Code of Conduct, ensuring product safety for customers – and ultimately for all end users – is one of the Group's fundamental objectives and key responsibilities, which is why every effort is made to deliver extremely safe, reliable, and high-quality products and services.

10.2.1 Health and Safety Policy

The Iveco Group Health and Safety Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS S4 sub-sub-topic 'Health and safety', and supports the Group in reaching its sustainability targets and ambitions. One of Iveco Group's core commitments is to protect and promote the health and safety of its employees and customers. This commitment extends to its products, with each Group brand striving to achieve the highest standards in preventive, active, and passive product safety to safeguard the health and safety of drivers, operators, passengers, and all other road users. These objectives are pursued by:

- researching, developing, and adopting functional and technical solutions that enhance product safety performance, including ergonomic improvements
- conducting studies and research to explore and develop safer and more sustainable materials and compounds

⁽¹¹⁷⁾ The European New Car Assessment Programme, which provides European consumers with information on the safety of passenger vehicles.

- providing information on safe use through Operator's Manuals and offering training programmes focused on the safe and correct use of products.

The Health and Safety Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. Iveco Group's Board of Directors endorses the principles of this policy and oversees its implementation, the responsibility for which lies with the Senior Leadership Team (SLT), tasked with developing appropriate operational procedures and ensuring adequate allocation of resources and professional expertise. The policy is available on the corporate website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish).

No significant changes were made to the policy during the reporting year.

10.2.2 Product Safety, Security, and Technical Compliance Policy

Ensuring product safety for customers is one of the Group's fundamental objectives and key responsibilities, which is why every effort is made to deliver extremely safe, reliable, and high-quality products and services. Furthermore, since the safety of end users is a top priority, Iveco Group is also fully committed to ensuring automotive cybersecurity for all its vehicles, given that active safety systems are increasingly reliant on telematics and are therefore at risk of exposure to cyberattacks. For these reasons, the Group has adopted a Product Safety, Security, and Technical Compliance Policy (PSSC), which underscores its commitment to product safety and cybersecurity, as part of a broader approach designed to create, maintain, and continuously support a corporate culture of product safety, security, and technical compliance that goes beyond regulations. As per the PSSC Policy, Iveco Group has established its own Cybersecurity Management System (CSMS), which ensures security is built into the design of vehicles to provide protection throughout their entire lifespan, thus minimising their exposure to the risk of cyberattacks. The CSMS is certified according to UN Regulation No. 155, which defines uniform provisions for the approval of vehicles with regards to cybersecurity and the associated management systems. Additionally, the most innovative cybersecurity technologies are integrated into new vehicles, with structured processes implemented across the entire development chain, as well as from production to post-production. The PSSC Policy was approved by the Product Safety, Security, and Compliance function. It applies to Iveco Group N.V. and its subsidiaries, and to the directors, officers, and employees of such entities. The Senior Leadership Team (SLT) is responsible for monitoring compliance with the policy, updating it when necessary, and reporting on relevant progress.

No significant changes were made to the policy during the reporting year.

10.3 ENGAGING END USERS ON IMPACTS (S4-2)

The Operator's Manual (OM) represents a direct communication channel between Iveco Group's brands and end users. It contains key product information, making it an integral part of the product itself. These manuals provide extensive details on safe product use and guidance to minimise environmental impacts, including proper disposal practices for lubricating oils and additives, as well as strategies to reduce fuel and energy consumption and pollution through efficient product use.

Each manual contains comprehensive information on:

- product identification data
- product start-up and operation
- correct vehicle manoeuvring
- correct use of the vehicle equipment provided – e.g., fixed-body trucks, tail lifts
- correct use of advanced driver assistance systems (ADAS) – e.g., lane departure warning systems (LDWS)
- safe product use – to avoid risk of injury and/or of serious damage to the vehicle and to safeguard the environment
- human-machine interaction (controls and devices)
- on-board equipment
- telematics features
- technical features
- periodic checks and scheduled maintenance
- refuelling.

Brand IVECO offers services to fleet managers such as fuel consumption monitoring, mission assignment and planning, route optimisation, and the monitoring of parameters for safe driving. It also offers on-board systems that generate specific reports on fuel consumption, tyre pressure, and driving style, which help optimise vehicle performance and on-board safety.

Understanding that the human element is critical to accident prevention, IVECO's portfolio of digital services includes the unique Safe Driving suite, with features designed to help customers develop a safer driving style. This on-board system monitors a set of key performance indicators (KPIs) and generates regular reports that provide both drivers and fleet managers with feedback on driving performance. This enables fleet managers to analyse trends at fleet level and identify driving style improvement areas, fostering a culture of safe driving among fleet drivers to enhance road safety. The Safe Driving suite is designed to increase drivers' risk awareness and improve safety, so as to reduce accidents and, consequently, injuries to people and damage to vehicles and transported goods. Safe Driving Reports summarise fleet KPIs in 3 categories:

- Dynamics – which focuses on harsh steering, acceleration, stability control, and handbrake use while driving
- Collision Risk – which looks at behaviours potentially contributing to accidents, such as harsh braking or insufficient safety distance between vehicles
- Compliance – which covers regulations on speed, driving hours, and maximum legal weight limits for vehicles.

The Safe Driving suite is currently available on Group vehicle models that are equipped with a Connectivity Box, and information on the system's features is readily accessible through the IVECO portal.

In 2025, Iveco Group strengthened its strategic collaboration with PlusAI, a company pioneering AI-based virtual-driver software, to advance highly automated and connected driving solutions. The two companies launched a pilot programme, together with logistics leader DSV, to deploy vehicles equipped with PlusDrive, an automated driving system, in real-world conditions. The initiative included rigorous safety training and public road testing to validate system performance and reliability. This programme marks a significant step toward sustainable, technology-driven transport, helping reduce emissions through optimised driving and paving the way for future commercial deployment.

10.4 CONSUMER AND END USER ACTIONS (S4-3, S4-4)

End Users

Each Iveco Group brand is responsible for managing customer relations and for setting its own guidelines, while contributing to fulfilling the Group's core objective and key responsibility of delivering extremely safe, reliable, and high-quality products to end users. For this reason, everyone at Iveco Group is expected to comply with the safety standards in place, taking appropriate steps to identify, correct, and prevent any non-compliance. This means that any vehicle safety issues must be immediately reported to a supervisor, the Compliance or Legal departments, or via the Compliance Helpline.

Iveco Group's quality control process includes a reporting procedure for product safety problems that allows Group employees as well as the service network to notify any product safety issues found. Employees can report events involving products via a dedicated section on the corporate Intranet, with all reports reviewed and duly processed by the Current Product Management (CPM) team. In addition, to speed up the reporting of potential quality problems, the service network is provided with specific Incident Reporting Guidelines.

If deemed necessary, the decision to launch a corrective action – known as a Product Improvement Deployment (PID) – is made by the CPM team, taking technical factors into account as well as the PID's impact on customers. The CPM team works with the Vehicle Conformance Team to evaluate the safety aspects of each PID using state-of-the-art tools and methodologies, such as safety risk assessments, and determines whether a safety recall campaign is necessary based on the index obtained. If a PID is launched, Iveco Group ensures full transparency by notifying customers and the relevant authorities. Once approved, the recall campaign is launched and released to the service network, ensuring swift execution to minimise customer impact and vehicle downtime.

Recall campaigns fall under the Group's product quality control process and involve all customer-facing functions, including brand organisations and dealers. If a campaign involves vehicle repairs, customers are informed about the work involved through various programmes and communication channels. The Customer Uptime Centre is responsible for overseeing this process for the countries within its remit⁽¹¹⁸⁾ and for reaching out to affected customers. Each market concerned sends the Centre notifications about impacted vehicles, type of recall campaign, and launch dates, as well as certified translations of recall letters. The affected customers are contacted via a dedicated portal or by letter and email. Countries outside the remit of the Customer Uptime Centre are handled by local partners and dealers.

As regards the PIDs launched in 2025, 16 were related to safety and regulatory matters.

Customers

Customer experience management (CXM) begins with the customer journey, which consists of a series of key touchpoints reflecting every interaction between customers and the Group before and after the purchase of Iveco Group products and services – from initial awareness to use, loyalty, and advocacy. The CXM process is overseen by a central team, responsible for standardising the criteria and procedures for managing customer satisfaction while respecting specific business needs, and for ensuring that any reported issue is duly addressed by those responsible for the relevant touchpoints on the customer journey. Customers can count on Iveco Group's Customer Uptime Centre, which provides support in 68 countries across Europe, Latin America, Türkiye, Australia and New Zealand, and South Africa, in more than 34 languages, handling approximately 5 million contacts per year via the many channels available to each brands' customers (phone, email, mobile apps, and websites). Over time, the Customer Uptime Centre has expanded its approach to meeting customer needs, evolving from being simply reactive to issues when reported (e.g., via the Assistance Non-Stop service) to offering proactive and predictive services. Proactive support entails using telematics systems to detect vehicle issues, notifying customers and promptly providing assistance and solutions. Predictive diagnosis leverages digital twins (digital models of physical products or systems) to monitor the operational status of several systems, anticipating any issues well in advance and preventing unplanned stops.

⁽¹¹⁸⁾ Belgium, Bulgaria, Czech Republic, France, Ireland, Italy, Luxembourg, the Netherlands, Poland, Portugal, Romania, Slovakia, Spain, and the UK.

Assistance Non-Stop (ANS) is a round-the-clock, 365 days a year service available to all Iveco Group customers in Europe, Latin America, Türkiye, Australia and New Zealand, and South Africa, providing immediate technical support with vehicle issues. Upon identifying customer and vehicle location, the operator handling the assistance request will pre-diagnose the problem and, once the fault has been verified, contact the nearest mechanic, who is directed to the breakdown location. The operator continues to monitor proceedings until the repair is complete, assisting the mechanic, if needed, and keeping the customer updated until the vehicle is released (be it on the roadside or at the workshop). The Customer Uptime Centre shares its database with relevant departments, listing faults by number, type, and breakdown duration and matching them with faulty models. The ANS service can be requested via a universal toll-free number or through the on-board infotainment system or mobile apps designed for drivers. In the event of a breakdown, the system serves as a gateway for the driver to send a breakdown assistance request directly from the vehicle to the Customer Uptime Centre, which in turn can send the driver regular updates on the status of the request and the estimated assistance arrival time.

The Iveco Group **Control Room** plays a central role in customer assistance. By continuously collecting and analysing real-time data from the on-board telematics systems of connected vehicles, the Control Room provides actionable insights and remote support. Leveraging advanced remote assistance and over-the-air (OTA) update capabilities, the team can swiftly address technical issues, implement software enhancements, and ensure vehicles operate at peak efficiency – all while minimising disruptions for customers and reducing the overall environmental impact. Furthermore, Iveco Group is expanding its innovative Driver Fidelity Programmes, now with more than 4,000 registered users. These programmes foster safer, more efficient, and more eco-friendly driving behaviours by utilising a points-based system to calculate each driver's unique Driving Style Score, with rewards and recognition for exemplary performance. This initiative not only supports individual drivers in their professional development but also contributes to broader sustainability goals by promoting fuel-efficient, responsible driving across the fleet.

Dealers

Every dealer within each Iveco Group brand's network is required to meet precise **qualitative standards** specific to that brand, which are an integral part of the contract that each dealership signs when joining the respective network. Compliance with these standards is verified over time through regular dealership visits and periodic audits conducted by brand representatives in their area of competence or by third-party auditors. Any non-conformities identified are addressed through action plans defined and agreed upon with the relevant dealer, with the respective schedules established as needed by the department overseeing each brand's network. Updates on compliance status are provided to dealership owners through periodic ad hoc meetings.

10.5 CONSUMER AND END USER METRICS AND TARGETS (S4-5)

End Users

Iveco Group's voluntary commitment to the material sustainability matters Product quality, safety, and accessibility and Digitalisation and connectivity (the latter being entity-specific) is reflected by the strategic sustainability **target** incorporated into the Strategic Business Plan: to ensure that 100% of new vehicles manufactured in Europe are equipped with Level 2 ADAS by year-end 2026, and with additional advanced functions such as Adaptive Cruise Control (ACC) with Stop & Go, Corrective Steering Function (CSF), and Lane Centring (LC). This target is in line with the Organisation's Product Safety, Security, and Technical Compliance (PSSC) Policy. Its main objective is to maintain high standards in the prevention of road accidents, reflecting the Group's broader commitment to offering customers a range of products that ensure the safety of end users and road users alike. Given the intrinsic nature of this target, establishing a base year is not feasible.

For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

Customers

To better understand the overall customer experience, the Group also uses the **Net Promoter Score (NPS)**, which is the most commonly used methodology for tracking and enhancing customer satisfaction due to its simplicity, scalability, and adaptability across industries. Its use of a single question – how likely a customer is to recommend a given brand or product to a friend or relative (on a scale of 0 to 10) – makes the NPS the most effective predictor of revenue growth. The NPS is the main indicator within Brand IVECO's Customer Experience Management (CXM) programme, through which customer feedback is collected and circulated within the company as quickly, effectively, and widely as possible, along with the status of KPIs, to obtain a clear picture of customer satisfaction at all times. Beyond this, the CXM programme encourages customer inclusion and engagement, as the single NPS question elicits emotion-based customer assessments, indicative of their loyalty and sense of belonging to the Brand. The feedback collected through the NPS survey is also used to improve products and services, serving as a valuable tool for involving customers indirectly in the company's decision-making processes.

The importance of the NPS is underscored by the strategic sustainability **target** incorporated into the Strategic Business Plan in 2021 for IVECO Trucks: to achieve a 25% improvement in NPS by year-end 2026 (compared to 2021). 2025's results were in line with expectations, given the new model launches, and the Group remains highly committed to leveraging customer feedback to shift from a reactive approach to a proactive one.

For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

Dealers

Conformity with qualitative standards, outlined in the attachments to dealership contracts, is regularly monitored. For instance, the IVECO Dealer Network Assessment (IDNA) system provides for periodic audits to verify the compliance of IVECO dealers, sub-dealers, and authorised workshops. The system collects all audit data, enabling compliance analysis and the definition and implementation of action plans to address any non-conformities. The Brand's dealerships across Europe, Africa, and the Middle East are audited by either internal brand specialists or independent third parties. This reflects the Group's voluntary commitment to dealership excellence, supported by a multi-year rolling process of annual auditing programmes. This approach ensures superior standards and delivers consistent quality across every touchpoint of the network.

11. BUSINESS CONDUCT (G1)

11.1 APPROACH TO THE SUSTAINABILITY MATTER (ESRS 2, IRO-1)

Iveco Group's materiality assessment identified *Business conduct* and *Sustainable supply chain* as material sustainability matters, both linked to ESRS G1.

Business conduct is linked to the following ESRS G1 sub-topics:

- 'Corporate culture'
- 'Protection of whistleblowers'
- 'Corruption and bribery' (including the sub-sub-topics 'Prevention and detection including training' and 'Incidents')
- 'Political engagement and lobbying activities'.

The expected medium-term impacts related to *Business conduct* were identified as positive and described by stakeholders as follows: "The development of a corporate culture based on principles of ethics and integrity contributes to improving employees' sense of purpose and motivation".

Meanwhile, *Sustainable supply chain* is linked to the ESRS G1 sub-topic 'Management of relationships with suppliers including payment practices'. The expected medium-term impacts related to this sustainability matter were identified as positive and described by stakeholders as follows: "An ongoing dialogue with suppliers and the dissemination of sustainability principles contribute to improving the supply chain's ESG performance, thus reducing negative environmental and social impacts". The expected short-term impacts, on the other hand, were found to be negative, described by stakeholders as follows: "The inadequate management of supplier relationships, especially with regard to payment practices, affects suppliers' business performance, welfare, and growth".

The ultimate responsibility for business conduct at Iveco Group lies with the Board of Directors (for information on the role of the Board and its Committees, see 1.2 The Board of Directors and its Committees).

11.2 POLICIES RELATED TO BUSINESS CONDUCT (G1-1)

Iveco Group considers corporate culture to be of the utmost importance, as its development based on principles of ethics and integrity enhances employees' sense of purpose and motivation. The Group strongly believes that long-term success depends on its ability to do business that is socially responsible, ethical, and compliant with the laws of each country of operation, which is why all its actions are guided by specific compliance and ethics policies. This robust framework of policies is also a reflection of the Organisation's broader commitment to creating sustainable long-term value for all stakeholders, which is only attainable by ensuring full respect for fundamental human and labour rights and by addressing key operational aspects assessable under the ESRS G1 standard, as further explored in the following sections.

11.2.1 Code of Conduct

The Iveco Group Code of Conduct regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS G1 sub-topic 'Corporate culture', and supports the Group in reaching its sustainability targets and ambitions. The Code of Conduct is one of the pillars of Iveco Group's Corporate Governance and regulates decision-making processes and the approach used by Organisation and employees alike in their interactions with all stakeholders. It outlines the values of fairness and integrity that Iveco Group upholds and promotes, deemed essential drivers of long-term value creation and social and economic development, and reflects a commitment to the highest standards across all operations at all times. The Code also underscores Iveco Group's commitment to fair employment practices, workplace safety, environmental stewardship, and respect for the communities in which it operates, in full compliance with applicable legislation. The Code of Conduct addresses key topics such as the environment, health and safety, antitrust/competition law, anti-corruption measures, data privacy, internal controls, human resources management, local communities, and respect for human rights – setting out the principles and ethical values that guide the Group's Behaviours, shape its culture in conducting business, and define the standards of quality and integrity expected from anyone collaborating with the Organisation. It also addresses the ethical aspects of economic, social, and environmental issues, with explicit reference to the UN's Declaration of Human Rights, the relevant International Labour Organization (ILO) Conventions, and the OECD Guidelines for Multinational Enterprises. The Code also underscores Iveco Group's commitment to tax compliance through the implementation of a Tax Control Framework and a cooperative, transparent approach to tax authorities, as well as its commitment to fostering diversity, equity, and inclusion (DEI) in the workplace, with great care taken to use inclusive language, consistent with the Group's DEI Playbook.

The Board of Directors is responsible for overseeing the implementation of Iveco Group's Code of Conduct and other corporate policies, ensuring compliance while conveying the Group's values and expectations as clearly and explicitly as possible. The Code of Conduct applies to all members of Iveco Group's Board of Directors, to all employees of Iveco Group N.V., to all of its subsidiaries and joint ventures in which it holds a controlling interest, and, in principle, to anyone acting for or on behalf of the Organisation. Additionally, Iveco Group makes every effort to circulate the Code's principles to each of its suppliers, consultants, and any external third party with whom it has a business relationship. The Code of Conduct, available in 8 languages (Czech, English, French, German, Italian, Portuguese, Spanish, and Turkish), can be viewed and downloaded from Iveco Group's corporate website and Intranet, with hard copies circulated internally as needed.

For information on Iveco Group's system for monitoring the Code of Conduct and compliance policies, see 11.3 Business Conduct and Corporate Culture.

11.2.2 Anti-Corruption Policy: Preventing and detecting corruption and bribery

The Iveco Group Anti-Corruption Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS G1 sub-topic 'Corruption and bribery', and supports the Group in reaching its sustainability targets and ambitions by promoting transparency and accountability. The policy defines clear responsibilities and procedures to ensure full compliance with applicable anti-corruption laws and regulations worldwide. It guides employees' conduct to prevent unethical and illegal acts, while raising awareness of potential risks that could impact both individuals and the Group. Improper payments, gifts, discounts, or inducements to government officials or other third parties – and/or the inaccurate recording of such transactions in the Group's books and records – not only violate anti-corruption laws and corporate policies, but also jeopardise Iveco Group's reputation. The Organisation's culture of integrity requires all employees to actively collaborate in monitoring the policy's enforcement, and to set an example of ethical conduct by reporting any potential violations. These can be reported by employees to their managers, to the Human Resources or the Legal, Compliance & Corporate Governance departments, or via the Compliance Helpline. As stated in the Anti-Corruption Policy, Iveco Group adopts a zero tolerance approach to all forms of corruption, including influence peddling. This encompasses paying, offering, promising, requesting, or accepting anything of value to obtain or retain an improper business advantage or to improperly influence someone's actions in their business or official capacity. Particular emphasis is placed on bribery involving public officials, representatives of international organisations, and any other parties associated with public officials, private entities or individuals as provided for by applicable laws. The Anti-Corruption Policy adheres to the United Nations Convention against Corruption (UNCAC). It applies to Iveco Group N.V., its subsidiaries, and joint ventures in which it holds a controlling interest, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. The ultimate responsibility for compliance at Iveco Group lies with the Senior Leadership Team (SLT), specifically the Chief Legal & Compliance Officer and Head of Corporate Governance, accountable for monitoring compliance with the policy, updating it as necessary, and reporting on progress. The Compliance function is tasked with the daily implementation of the policy, ensuring that the Group's standards are consistently upheld. Furthermore, every Iveco Group manager is responsible for ensuring that employees are aware of the policy and that the latter is enforced across operations within the manager's area of responsibility. For information on Iveco Group's system for monitoring the Code of Conduct and compliance policies, see 11.3 Business Conduct and Corporate Culture. The policy, available on the corporate website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish), has been shared with all Group employees and senior management worldwide.

11.2.3 Speak Up Policy

The Iveco Group Speak Up Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS G1 sub-topic 'Protection of whistleblowers', and supports the Group in reaching its sustainability targets and ambitions. The policy underscores the importance of speaking up, outlining the Organisation's reporting channels and the measures in place to protect from retaliation those who speak up in good faith (whether employees or other stakeholders), as well as those assisting in investigations. The Speak Up Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, to stakeholders or external third parties entering into a relationship with the Organisation (such as customers or suppliers), and to all those engaged in activities on behalf of, or in the interest of, the Group (such as contractors or temporary workers). The ultimate responsibility for compliance at Iveco Group lies with the Senior Leadership Team (SLT), specifically the Chief Legal & Compliance Officer and Head of Corporate Governance. The Compliance function is tasked with the daily implementation of the policy, ensuring that the Group's standards are consistently upheld. The policy, available on the corporate website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish), has been shared with all Group employees and senior management worldwide.

All managers and supervisors are responsible for encouraging the reporting of potential compliance violations by training their teams and maintaining an 'open door' policy. They are expected to lead by example to foster a culture that addresses whistleblower concerns and any potential compliance violations. They are also required to promptly report any act of retaliation against whistleblowers, reflecting the Group's commitment to their protection. Similarly, all employees are responsible for promptly reporting any violations of the law, the Code of Conduct, or corporate policies through the designated channels. They are also required to report any acts of retaliation they become aware of against themselves, other whistleblowers, or anyone cooperating in an investigation. To this end, Iveco Group has established a Compliance Helpline – a global reporting tool available in 15 languages managed by an independent third party – providing employees, customers, suppliers, and other external third parties with a dedicated means to report potential violations of applicable laws, the Code of Conduct, or corporate policies. For information on Iveco Group's system for monitoring the Code of Conduct and compliance policies, see 11.3 Business Conduct and Corporate Culture.

11.2.4 Anti-Retaliation Policy

The Iveco Group Anti-Retaliation Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS G1 sub-topic 'Protection of whistleblowers', and supports the Group in reaching its sustainability targets and ambitions. The policy underscores the Organisation's commitment to protecting whistleblowers and anyone cooperating in an investigation by creating a safe and supportive environment that encourages and enables them to raise potential issues or concerns without fear of retaliation. The Anti-Retaliation Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, to stakeholders or external third parties entering into a relationship with the Group (such as customers or suppliers), and to all those engaged in activities on behalf of, or in the interest of, the Group (such as contractors or temporary workers). All employees are responsible for promptly reporting any such violations of the law, the Code of Conduct, or corporate policies through the designated channels. They are also required to report any acts of retaliation they become aware of against themselves, other whistleblowers, or anyone cooperating in an investigation. The Group protects from retaliation those who speak up in good faith (whether employees or other stakeholders) as well as anyone cooperating in investigations. In Europe, Iveco Group protects whistleblowers in accordance with the applicable law implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of the European Union. For information on Iveco Group's system for monitoring the Code of Conduct and compliance policies, see 11.3 Business Conduct and Corporate Culture. The policy, available on the corporate website in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish), has been shared with all Group employees and senior management worldwide.

11.2.5 Responsible Lobbying Policy

The Iveco Group Responsible Lobbying Policy regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS G1 sub-topic 'Political engagement and lobbying activities', and supports the Group in achieving its sustainability targets and ambitions. The policy sets out the main principles, standards, and rules to ensure that Public Affairs activities are fully compliant with applicable laws and with the Iveco Group Code of Conduct. It also defines key roles and responsibilities to ensure effective policy implementation. The Group is committed to contributing to the development of industry policies, regulations, and standards by transparently participating in the public debate on key issues. By addressing key aspects such as authorised representation and compliance, integrity and ethical standards, and political neutrality and restrictions, the policy ensures all interactions with public authorities are guided by transparency, integrity, fairness, and neutrality. The Responsible Lobbying Policy applies to Iveco Group N.V. and its subsidiaries, to the directors, officers, and employees of such entities, and to those acting for or on behalf of such entities. The Senior Leadership Team (SLT) is responsible for monitoring compliance with the policy, updating it as necessary, and reporting on progress. The policy is aligned with the OECD Recommendation of the Council on Transparency and Integrity in Lobbying and Influence. For information on Iveco Group's system for monitoring the Code of Conduct and compliance policies, see 11.3 Business Conduct and Corporate Culture. The policy, available on the corporate website, has been shared with all Group employees and senior management worldwide.

11.2.6 Supplier Code of Conduct

The Supplier Code of Conduct regulates those activities that generate the greatest impact and/or potential risk with regard to the ESRS G1 sub-topic 'Management of relationships with suppliers including payment practices', and supports the Group in reaching its sustainability targets and ambitions. The management of supplier relationships is of paramount importance at Iveco Group, since ongoing dialogue and the dissemination of sustainability principles improve ESG performance across the supply chain (thereby reducing negative environmental and social impacts), while the unsatisfactory management of such relationships, especially with regard to payment practices, can hinder suppliers' business performance, welfare, and growth. The Supplier Code of Conduct stipulates suppliers' compliance with local legislation and their respect for:

- labour and human rights
 - rejecting any form of forced or child labour
 - guaranteeing fair working conditions, working hours, and wages
 - recognising the right to freedom of association in line with applicable laws
 - safeguarding employee health and safety
 - guaranteeing equal opportunities and the absence of potentially discriminatory policies
- environmental protection
 - optimising the use of resources (including energy and water) and minimising polluting and greenhouse gas emissions
 - designing and developing products while mindful of their environmental impact and potential for reuse or recycling
 - responsibly managing waste treatment and disposal
 - eliminating the use of potentially hazardous substances
 - adopting logistics procedures while mindful of their environmental impact
- trade restrictions/export controls
 - sourcing minerals responsibly
- business ethics

- complying with regulations on improper payments
- ensuring accurate and complete bookkeeping
- respecting intellectual property rights
- disclosing conflicts of interest
- respecting principles of fair competition and antitrust regulations
- respecting anti-money laundering legislation.

The Supplier Code of Conduct applies to Iveco Group's entire supply chain, including all persons and entities (each referred to as a 'Supplier') that sell any goods or services to the Organisation or its subsidiaries, outlining the standards to be upheld in their daily business activities. Iveco Group's Board of Directors is responsible for overseeing the implementation of the Supplier Code of Conduct, ensuring compliance while conveying the Group's values and expectations as clearly and explicitly as possible. Suppliers are required to work with Iveco Group to enforce the Code itself, and to pass on its principles to their respective employees, subsidiaries, affiliates, and subcontractors. To ensure the consistent alignment of the supply chain and purchasing practices with the Supplier Code of Conduct, suppliers undergo an Ethical Check. This assessment is conducted by an external third party, using a dedicated reporting system that allows the monitoring of any potential issues that may require further clarification or investigation. This periodic monitoring is regulated by corporate policies and procedures designed to ensure supplier compliance. The Organisation reserves the right to terminate its business relationship with any Supplier that is unwilling or unable to ensure compliance with the Group's performance standards. The Supplier Code of Conduct is aligned with the United Nations' (UN) Universal Declaration of Human Rights, the International Labour Organization (ILO) Standards, and the UN Convention against Transnational Organized Crime. The Supplier Code of Conduct is available in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish) on both the corporate website and Supplier Portal.

11.3 BUSINESS CONDUCT AND CORPORATE CULTURE (G1-1)

Integrity and ethics are the principles on which Iveco Group is founded, intrinsic to all its business practices. One of the Group's 5 Values, *We do what is right*, is a perfect example of such principles, recognising that acting with integrity requires vigilance and commitment. Iveco Group also believes these principles boost its competitiveness, serving as a stepping stone to its sustainable growth and to building a reputation that customers, employees, and other stakeholders can trust and rely on. Furthermore, Iveco Group's robust culture of integrity and ethics is key to preventing ethics violations. While the Group strives to implement these principles in everything it does, they are particularly important when it comes to compliance with regulations and standards that promote sustainable development (such as those related to value distribution, progressive taxation, cash transfers, and investments in its people), or that support inclusive growth. To further strengthen its integrity, the Organisation has adopted the following control tools, implemented by the appropriate departments:

- whistleblowing procedures, overseen by the Compliance function
- periodic auditing, overseen by the Internal Audit function
- monitoring of potential and actual disputes, overseen by the Legal Department.

Whistleblowing Procedures

At Iveco Group, employees are encouraged to actively engage in the detection and prevention of misconduct by reporting any activity that violates applicable laws, the Code of Conduct, or corporate policies. Reporting potential violations gives the Group the opportunity to investigate matters and take corrective action, reducing the risk of potential harm to the employee in question, co-workers, the Group itself, or the communities in which it operates. To this end, the Group has established a **Compliance Helpline**⁽¹¹⁹⁾, a global reporting tool available in 15 languages managed by an independent third party. It was set up following consultation with representatives from many different functions, including Human Resources, Internal Audit, Legal, and Compliance. This platform provides employees, customers, suppliers, and other third parties with a dedicated means to report potential violations of applicable laws, the Code of Conduct, or corporate policies.

As indicated in the Iveco Group Speak Up Policy and on the corporate website, reports can be submitted in the following ways (including anonymously, where permitted by law):

- in person to a manager or other Group representative
- through the corporate website's Compliance Helpline section
- through a dedicated app, available for Android and iOS
- through dedicated phone lines (calls are directed to a voice mailbox managed by a third party; messages are then transcribed and sent to the Organisation).

Iveco Group employees have an obligation to report misconduct. The Compliance Helpline is an important tool designed to encourage reporting and foster a culture of individual and collective responsibility for compliance and ethics. This culture is also promoted via the Group's *Speaking Up* global communications campaigns targeting employees worldwide.

⁽¹¹⁹⁾ See the [Compliance Helpline section on the corporate website](#).

Group policy strictly prohibits any form of retaliation against anyone reporting a concern in good faith. As a company incorporated under Dutch law, Iveco Group workers within the European Union acting as whistleblowers are protected against retaliation in accordance with the applicable law transposing Directive (EU) 2019/1937 of the European Parliament and of the Council of the European Union, and in compliance with the Group's Anti-Retaliation and Speak Up policies (see 11.2.4 and 11.2.3). The Group responds to every report submitted through the Compliance Helpline. **Training** on the Compliance Helpline is included in the Code of Conduct training course.

A global case management system, implemented in conjunction with the Compliance Helpline, helps ensure the accurate tracking and timely resolution of investigations, which are primarily conducted by the Internal Audit, Human Resources, Legal, and/or Compliance functions. The materiality of all reported matters is evaluated according to criteria approved by the Ethics & Compliance Committee. Matters defined as material are escalated to the Investigation Oversight Sub-Committee (IOS), comprising the Chief Legal & Compliance Officer and Head of Corporate Governance, the Chief Human Resources Officer, and the Chief Risk and Internal Audit Officer. The IOS oversees the investigation process and agrees on the necessary corrective actions and disciplinary measures. In general, matters with the potential to incur penalties or monetary losses in excess of €100,000, or that involve allegations against a director or above, or that relate to bribery, fraud, trade compliance, accounting or internal controls, are all considered material. Summaries of all such material matters, which are collected by geographic region, are regularly reported to the Ethics & Compliance Committee and the Audit Committee.

In 2025, 23 cases were classified as material and reported to the IOS, the Ethics & Compliance Committee, and the Audit Committee. During the year, the Chief Compliance Officer provided the Audit Committee with a quarterly update on the Group's compliance and ethics activities. Information regularly communicated to the Audit Committee relates to: training activities, risk assessment results, emerging compliance risks, updates on material compliance and ethics projects, Compliance Helpline reports and related statistics, the status of closed and ongoing investigations, and a summary of material matters. If a reported matter is substantiated, the Group implements appropriate disciplinary action, up to and including termination of employment.

Periodic Auditing

Iveco Group regularly monitors the application of its main compliance policies in each geographic region of operation. Monitoring is carried out by the Internal Audit Department based on the Annual Audit Plan. Audit results, identified violations, and agreed corrective measures are notified to the relevant corporate departments and senior management.

In 2025, the Group disclosed the results of 22 internal audits conducted at its main manufacturing and non-manufacturing sites, regarding: compliance with regulatory requirements for the Financial Services French credit institution, with anti-corruption policies, tax obligations, energy, environmental, health and safety standards, and with other regulations, as well as the results of investigations into matters reported through the Compliance Helpline. The audits revealed substantial compliance with the main standards in force. Any violations relating to aspects included in the Code of Conduct were managed either through action plans to improve internal control procedures or through appropriate disciplinary action. The Internal Audit Department also implemented a programme to verify the adherence of Iveco Group's dealers and authorised workshops to vehicle Warranty Manuals, performing 182 third-party dealer audits.

Periodic Audits by Type

(number)

	2025	2024
Regulatory compliance	21	15
Whistleblowing	1	2
Dealers	182	90
Total	204	107

Antitrust and Competition

As stated in its Code of Conduct, Iveco Group recognises the critical importance of an open and competitive market, which is why it is fully committed to complying with all applicable competition and antitrust laws and to scrupulously refraining from business practices that could violate them (such as the establishment of cartels, price fixing, market divisions, production or sales limitations, tying arrangements, or the exchange of commercial information or business views). The Code of Conduct expressly indicates that confidential information – such as know-how, trade secrets, intellectual property, and/or other proprietary information developed by Iveco Group – is a fundamental and critical resource that every employee is required to protect. This obligation is particularly crucial in the highly competitive markets in which Iveco Group operates, requiring all Group employees and agents to handle competitively sensitive information with the utmost care to protect it and to adhere to all applicable competition and antitrust laws. The Group and its subsidiaries are also required to protect the confidentiality of any information they may receive from external third parties, in compliance with the corporate Competition Policy and Guidelines.

Every year, Iveco Group's Compliance and Ethics function collects a statement from a selected number of employees declaring they understand and adhere to the Code of Conduct (including the antitrust requirements contained therein), and that they have no knowledge of any Code violation nor of any conflicts of interest that have not already been disclosed to the Organisation.

In 2025, in line with previous years, the Group continued to execute its **Competition Compliance Programme**, designed to promote compliance with competition and antitrust laws, raise awareness within the Organisation of competition law implications for its businesses, and help identify and minimise the risk of any violations. This programme encompasses a specific Competition Policy and the related Guidelines, overseen by the Antitrust Unit of the Legal, Compliance & Corporate Governance (LC&CG) Department and available on the corporate website. Both documents include a set of relevant practical examples of behavioural expectations, by subject matter, in the form of 'Dos & Don'ts', and apply to all directors, officers, and employees, as well as to those acting for or on behalf of all Iveco Group companies worldwide. They set detailed and stringent rules for dealing with competitors, trade associations, suppliers, and customers, as well as rules for responding to competition authority investigations, emphasising the need for full cooperation in the event of antitrust or competition investigations or of any requests for information regarding alleged anti-competitive conduct. The Competition Policy also emphasises the importance of promptly reporting any actual or suspected policy violations, either to a member of the LC&CG Department or anonymously using the Group's Compliance Helpline.

Since 2024, the Group has also provided a dedicated channel for raising antitrust concerns and questions about behavioural expectations directly with the Antitrust Unit, so as to ensure they are addressed promptly and appropriately.

In line with 2025's business priorities, specific **ad hoc antitrust training** sessions were provided to 566 employees involved in various strategic business partnerships worldwide – including *Clean Team* workshops where required by applicable antitrust law. Furthermore, the Antitrust Unit collaborated with other LC&CG functions to prepare, participate in, and deliver 5 integrated *Legal & Compliance Dialogues with Dealers* in Italy, Spain, and Poland, addressed to the dealer networks of the Trucks and/or Powertrain business units. These dialogues centred on the Iveco Group Code of Conduct and on anti-corruption, antitrust, privacy, and trade compliance topics, serving as a continuation of the *Competition Law Dialogues* held annually by the Antitrust counsels, with relevant business leaders, on key topics and potential issues identified under the Competition Compliance Programme. The Programme, and in particular its Competition Policy and Guidelines, also sets out the rules and principles for managing **M&A transactions** and dealings with antitrust authorities, including in the context of potential investigations.

The Antitrust Unit, in coordination with the other functions within the LC&CG Department, continued to conduct ongoing compliance risk assessments in line with business strategy and needs, working alongside Enterprise Risk Management & Internal Audit Department. The Group intends to maintain this approach in 2026 and beyond, focusing each year on selected jurisdictions for targeted, business-specific training initiatives that complement the general Antitrust and Competition Law course available online.

Trade Compliance

Iveco Group is a material participant in international trade, an area of increasing focus where laws are complex and dynamic. The Organisation addresses these challenges by implementing its International Trade Policy, the contents of which also form an important part of the Supplier Code of Conduct. In accordance with this policy, Iveco Group is committed to complying with all applicable international trade laws and regulations (including import and export control laws, anti-corruption laws, and sanction programmes). The dedicated Trade Compliance function is responsible for expanding and diversifying the Group's existing processes (by building on current compliance tools), to address and adapt to such a dynamic trade environment and any regulatory changes. The function is also tasked with implementing awareness initiatives across the Organisation to ensure new regulations are properly understood and integrated into business practices.

11.4 CORRUPTION AND BRIBERY (G1-3)

The Anti-Corruption Policy (see 11.2.2) defines clear responsibilities and procedures to ensure full compliance with applicable anti-corruption laws and regulations worldwide. Iveco Group's good reputation for integrity and honesty, carefully established over many years, is critical to its market competitiveness. Improper payments, gifts, discounts, or inducements to government officials or other third parties – and/or the inaccurate recording of such transactions in the Organisation's books and records – not only violate anti-corruption laws and corporate policies, but also jeopardise Iveco Group's reputation. The Group's culture of integrity requires all employees to actively collaborate in monitoring the policy's enforcement, and to set an example of ethical conduct by reporting any potential violations. These can be reported by employees to their managers, Human Resources, or the Legal, Compliance & Corporate Governance (LC&CG) Department, or via the Compliance Helpline.

As stated in the Anti-Corruption Policy, Iveco Group has zero tolerance for all forms of corruption, including influence peddling. This includes paying, offering, promising, requesting, or accepting anything of value to obtain or retain an improper business advantage or to improperly influence someone's actions in their business or official capacity. Particular emphasis is placed on bribery involving public officials, representatives of international organisations, and any other parties associated with public officials, private entities or individuals as provided for by applicable laws.

In order to avoid and respond to allegations or incidents related to corruption or bribery, a global case management system, implemented in conjunction with the Compliance Helpline, helps to ensure the accurate tracking and timely resolution of investigations, which are primarily conducted by the Internal Audit, Human Resources, Legal, and/or Compliance functions. The materiality of all reported matters is evaluated according to criteria approved by the Ethics & Compliance Committee.

Matters defined as material are escalated to the Investigation Oversight Sub-Committee (IOS), comprising the Chief Legal & Compliance Officer and Head of Corporate Governance, the Chief Human Resources Officer, and the Chief Risk and Internal Audit Officer. The IOS oversees the investigation process and agrees on the necessary corrective actions and disciplinary measures. Summaries of all such material matters, which are collected by geographic region, are regularly reported to the Ethics & Compliance Committee and the Audit Committee. All of Iveco Group's compliance policies related to the aforementioned topics are available in 7 languages (Czech, English, French, German, Italian, Portuguese, and Spanish), and can be viewed and downloaded from the corporate website and Intranet. The principles and values of good corporate governance established in the Code of Conduct are conveyed to all Group employees irrespective of their level or role, through periodic training and other communication channels.

Iveco Group advocates its Code of Conduct and Supplier Code of Conduct as best practice standards in business ethics among its partners, suppliers, consultants, agents, dealers, and other third parties with whom it has long-term relationships. Contracts with third parties include specific clauses requiring recognition of, and adherence to, the fundamental principles outlined in the Code of Conduct and related policies, as well as strict compliance with applicable laws, particularly those related to bribery and corruption, money laundering, antitrust/competition law, and other corporate criminal liability laws.

Although Iveco Group does not yet have a formal policy on employee training and development (planned for future reporting cycles), it regards training as fundamental, delivering it through a dedicated platform called ON LEARN (for more information, see 7.11.3 Learning and Development).

The 2025 Code of Conduct training course – *Guided by Iveco Group Values: Living the Code of Conduct* – was developed to reinforce the Group's mission and five core Values through practical scenarios. The course covers relationships with employees and other stakeholders, fundamental principles of business conduct, and the employees' role in promoting a compliance culture. It was made available to 12,441 employees worldwide and was mandatory for all newly hired employees.

The Group also delivered several targeted compliance training sessions on the main issues identified via risk assessments, including:

- Acting on Behalf of the Company – Rules and Tips⁽¹²⁰⁾
- Privacy and AI: Act Responsibly
- How to Recognise and Manage Corruption and Fraud.

Every year, the members of the Board of Directors and Senior Leadership Team (SLT) and certain categories of employees are asked to **formally acknowledge**, in writing, that they have read both the Iveco Group Code of Conduct and the Conflict of Interest Policy and understand their contents. They are also asked to declare any personal interests that could violate the Conflict of Interest Policy. The employee categories covered in 2025 were managers (all functions), all Procurement employees, and all Sales employees (eligible for the Sales Incentive Plan, or SIP). The aforementioned employee categories are considered to be at higher risk, and are thus required, on an annual basis, to declare any personal interests that could violate the Conflict of Interest Policy and to formally acknowledge the Code of Conduct.

High-risk categories for anti-corruption are identified using a thorough multi-criteria approach, incorporating key legislation and guidelines (such as the AFA-Sapin II Act, DOJ-FCPA, and SFO-UK Bribery Act), internal risk mapping and assessments, an internal review of Compliance Helpline and audit reports, and regional exposure assessments based on the Corruption Perception Index. Based on this analysis, the Bus Business Unit was identified as the area most exposed to corruption risk in 2025, with targeted training provided to employees holding significant decision-making authority (managers and above).

Anti-corruption training is a cornerstone of Iveco Group's compliance framework, ensuring employees are informed about applicable laws, the Anti-Corruption Policy, and the importance of adhering to both. This training ensures they are aware of the various offences and understand the relevant risks, personal and corporate obligations, preventive measures, and potential sanctions for both individuals and legal entities in the event of violations. To this end, mandatory anti-corruption training and periodic updates are a requirement for all employees.

In 2025, an online anti-corruption course was delivered globally to **all employees** (salaried and above).

In addition, targeted anti-corruption training was provided to the functions identified as high-risk in the aforementioned risk assessment. These targeted sessions were conducted between May and September 2025, both in person and remotely via Microsoft Teams, achieving a global participation rate of 80% (99 trained out of 124 invited). The course was designed to actively engage employees and help them understand corruption risks in day-to-day business operations, using videos, interactive scenarios, AI-powered quizzes, digital tools, and live roundtables. It covered the definition of anti-corruption and its regulatory framework, the differences between public and private corruption, influence peddling, and the many impacts of corruption at global, company, and individual level (i.e., the consequences for employees involved in misconduct and the repercussions for the Group). The course also covered Iveco Group's internal compliance framework designed to prevent corruption, with a focus on the Anti-Corruption Policy and on topics such as gifts and entertainment, third-party due diligence, conflict of interest, and the whistleblowing system for reporting misconduct.

⁽¹²⁰⁾ The course was assigned to all senior employees (managers and above).

Anti-Corruption Training

	2025			2024	
	At-risk functions	Managers	All other employees	Managers	All other employees
Training coverage					
Total employees with access to training (number)	124	2,117	9,639	2,187	10,018
Total employees who completed training (number)	99	1,831	8,487	2,094	9,391
Delivery method and duration					
Online training (minutes)		20	20	15	15
In-person training (minutes)	120				
Frequency					
How often training is required	Biennially	Annually	Annually	Annually	Annually
Topics covered					
Definition of bribery	Yes	Yes	Yes	Yes	Yes
'Things of value' that may be construed as attempts to corrupt	Yes	Yes	Yes	Yes	Yes
National and international anti-bribery and anti-corruption laws	Yes	Yes	Yes	Yes	Yes
Facilitating payments	Yes	No	No	Yes	Yes
Third-party due diligence	Yes	Yes	Yes	Yes	Yes
Conflict of interest	Yes	No	No	Yes	Yes
High-risk third parties (i.e., agents, intermediaries, consultants)	Yes	Yes	Yes	No	No
Consequences of corruption	Yes	Yes	Yes	Yes	Yes
Speak Up channels	Yes	Yes	Yes	Yes	Yes

11.5 VIOLATIONS OF BUSINESS CONDUCT (G1-4)

In 2025, the Group responded to and/or investigated 241 new matters, reported through the Compliance Helpline (58% of which anonymously).

Compliance Helpline Reported Matters (number)

Matters by category	2025	2024
Questions related to specific business activities and/or Group policies	9	10
HR issues, including but not limited to general workplace conflicts	101	106
Discrimination and harassment (including sexual harassment)	44	50
Business conduct	59	42
Corruption and bribery	2	6
Health, safety, and environment	9	9
Conflict of interest	8	10
Customer data privacy	0	0
Money laundering and/or insider trading	0	0
Accounting and internal controls	3	1
External relationships	1	0
Other ^(a)	5	2
Total	241	236

^(a) From the reports received, it was not possible to determine the category to which these cases should be assigned.

Substantiated Matters
(number)

Matters by category	2025
HR issues, including but not limited to general workplace conflicts	21
Discrimination and harassment (including sexual harassment)	11
Business conduct	9
Corruption and bribery	1
Health, safety, and environment	1
Conflict of interest	1
Customer data privacy	0
Money laundering and/or insider trading	0
Accounting and internal controls	1
External relationships	0
Total	45

The one case in the corruption and bribery category involved several allegations and was found to be partially substantiated, meaning that only some of the allegations were corroborated. The allegation specifically relating to bribery, deemed to be the most serious and the basis on which the case category was assigned, was found to be unsubstantiated.

Disciplinary Approach to Substantiated Breaches of the Code of Conduct or Corporate Policies
(number)

Type of disciplinary action	2025	2024
Termination of employment	14	9
Disciplinary action	25	27
Coaching, remedial training, organisational changes, or review of the relevant policy/process	6	12
No action necessary ^(a)	0	1
Total	45	49

^(a) The implicated employee voluntarily left the Group.

In 2025, there were no reported legal cases related to bribery or corruption, and no convictions or fines were issued for violations of anti-corruption or anti-bribery laws.

No anti-corruption or anti-bribery targets have been set because the issue is context-dependent; however, necessary processes have been put in place to prevent such incidents from occurring.

Third-Party Due Diligence Process

Iveco Group implements a Third-Party Due Diligence process using specific web-based third-party screening tools. This process gives the Organisation more insight into the specific risks posed by the various third parties with whom it does business, based on attributes such as: location, type of interaction between the third party and Iveco Group, and possible interaction between the third party and government officials in connection with work it does on behalf of the Group. The process provides a ranking of high-risk third parties representing the Group in the marketplace (including sales commission agents, trading companies, etc.). Third parties identified as high risk are subject to variable levels of additional due diligence based on their specific risk profile. The due diligence process ranges from the basic screening of relevant watch lists to obtaining in-depth corporate intelligence reports from external diligence sources. Within the scope of this process, Iveco Group's Ethics & Compliance Committee oversees the results of the screenings.

The Group has established a dedicated working group – composed of representatives from Trade Compliance, Financial Services, and HR Security & Facilities – tasked with evaluating possible enhancements to the existing anti-bribery, anti-corruption, and anti-money laundering practices and processes, as well as those related to trade compliance, while identifying opportunities to improve, streamline, and rationalise them within the framework of a risk-based approach.

11.6 POLITICAL INFLUENCE AND LOBBYING ACTIVITIES (G1-5)

Iveco Group's participation in shaping both public policy and regulations on issues that affect its business and the communities in which it operates is essential for developing workable, high-level international standards and guidelines, which in turn helps safeguard the value of its investments. This type of engagement, combined with the promotion of public-private partnerships, is also crucial to identifying innovative, shared sustainability solutions built on such standards and guidelines. In its dialogue with governments, international organisations, local authorities, sector and industry associations, and other stakeholders, the Group contributes its technical expertise and knowledge on policies related to the automotive industry and other sectors involving the transport of people and goods, with a focus on products, processes, sustainable mobility, and innovation. Moreover, firmly believing in contributing to society's technological advancement, it collaborates with public institutions, universities, and other organisations on research and development into innovative solutions in the fields in which it operates. This proactive approach to external institutions enables the Organisation to focus on new product development and business opportunities early on, and create competitive business conditions that are sustainable over the long term.

The ultimate responsibility for Iveco Group's Public Affairs lies with the Senior Leadership Team (SLT). The Public Affairs function is responsible at global level for overseeing advocacy activities, supporting engagement with institutions and stakeholders, and interacting daily with the departments and functions of both the Group and its brands. In detail, these responsibilities include:

- monitoring future policy trends and engaging with public authorities, trade associations, international organisations, the business sector, and NGOs on the institutional and regulatory decision-making processes that affect Iveco Group's product and operational strategies
- advocating with policy makers and other relevant stakeholders
- protecting and enhancing the strategies of the Group and its brands by proactively interacting with external stakeholders and participating in public dialogue
- supporting the Group's business goals by addressing specific business issues and identifying opportunities in the context of institutional and/or international diplomatic relations.

Interest representation is conducted only where permitted by and in strict compliance with applicable laws, including anti-corruption and antitrust laws, and in full compliance with the Group's Code of Conduct and related policies and procedures. Iveco Group is registered with the European Transparency Register (ID number 266675445160-69), which is operated jointly by the European Parliament, the Council of the European Union, and the European Commission and provides information about interest representatives that seek to contribute to the European Union's decision-making processes; the register also provides a code of conduct to regulate their activities.

In Italy, the Group is also registered with the Italian Transparency Register, set up by the Italian Ministry of Economic Development and adopted by drawing upon the same model applied across other European institutions, and with the Register of Interest Representatives of the Italian Chamber of Deputies. In France, Iveco Group brands are also registered with the High Authority for Transparency in Public Life; in Spain, with the Transparency Register of the Community of Madrid; and in Germany, with the Lobby Register for interest representation in the German Bundestag and Federal Government. The Organisation abides by the Iveco Group Responsible Lobbying Policy and its Policy for US Lobbying Activities, which are compliance policies⁽¹²¹⁾ implemented in relation to the Code of Conduct that regulate relations with public institutions.

The Organisation's relationships with public and private organisations (including universities and research centres) also fall under the purview of its Environmental Policy – as such organisations are considered stakeholders and therefore play a key role in supporting the Group's climate change commitments, in accordance with the objectives of the Paris Agreement. To report potential violations of the Code of Conduct, corporate policies, or applicable laws, the Group has established a dedicated grievance mechanism, the Compliance Helpline, which can also be used to report violations specifically related to interactions with public institutions.

The Group is a member of many industry and sector associations, and of national and international advocacy organisations, in which it plays a significant role. In 2025, Iveco Group's total membership fees for trade associations, lobbying activities (including climate-related), etc. was €1.74 million globally.

Memberships, Contributions, and Other Expenditures (€ million)

	2025	2024
Trade associations or tax-exempt groups ^(a)	1.7	1.6
Lobbying, interest representation ^(b)	—	—
Political parties (campaigns/candidates)	—	—
Total	1.7	1.6

^(a) A trade association consists of companies within the same industry or region that voluntarily collaborate to strengthen advocacy efforts and promote and protect key interests with relevant institutions and stakeholders. As part of these efforts, various trade associations engage in public affairs activities such as lobbying, in compliance with local legislation and respective institutional frameworks.

^(b) Excluding management overheads related to lobbying activities.

⁽¹²¹⁾ Compliance policies are available in the 'Compliance and Ethics' section of the Group's Intranet portal.

The three largest fees were paid to the European Automobile Manufacturers' Association (ACEA), for approximately €757,000 (of which €71,000 for technical studies), the American Engine Manufacturers Association (EMA), for approximately €119,000, and the *Asociación Española de Fabricantes de Automóviles y Camiones* (ANFAC), for approximately €83,000.

Partnering with Trade Associations to Fight Climate Change

As a member of various sector associations, Iveco Group is committed to shaping climate change policies, regulations, and standards for the capital goods industry, mainly by promoting the use of innovative solutions and vehicles to support the decarbonisation of the transport sector, and by participating in the institutional and public debate around mitigating climate change and improving air quality. In particular, the Public Affairs function focuses on increasing the awareness and active participation of institutional stakeholders, the public, and international organisations with regards to:

- the importance of key issues related to Iveco Group's product strategy and advocacy, such as sustainable mobility, alternative fuels and propulsions (e.g., renewable fuels like biomethane and HVO, hydrogen, and electric vehicles), the reduction of vehicle and manufacturing emissions, transport decarbonisation, batteries, digitalisation, safety, and autonomous driving
- Iveco Group's corporate position on sustainability, climate change, renewable energy, circularity, materials, transportation systems, safety, artificial intelligence, and product innovation.

In 2025, to foster both public debate and policy making on the most material sustainability matters, particularly on tackling climate change, the Group organised and actively participated in numerous institutional webinars, conferences, working groups, roundtables, initiatives, and virtual and in-person meetings. Its efforts to combat climate change at national and global level also included playing an active role as a member of various industry and multi-stakeholder associations, organisations, business networks, and think tanks, ensuring they operate in accordance with the objectives of the Paris Agreement and with its decarbonisation roadmap. Indeed, the alignment of such entities with Iveco Group's strategy is reviewed annually to address, among other things, any inconsistencies between their climate change policies and the Group's own climate position.

The following are some examples of the main trade associations the Group engaged with during the year that share its position on climate change.

Trade Association: European Automobile Manufacturers Association (ACEA)

The Group shares ACEA's vision for a sustainable future for the transport sector, supporting a multi-energy approach to decarbonisation that focuses on carbon-neutral and zero-emission technologies to meet EU goals, while also addressing safety, circularity, materials and substances, as well as advancements in automated driving, artificial intelligence, connectivity, and smart mobility. Iveco Group is represented both on ACEA's Board of Directors (BoD) and on its Commercial Vehicle Board of Directors (CV BoD), which are composed, respectively, of the CEOs of the member companies and the CEOs of the commercial vehicle member companies. The Organisation also participates in ACEA's technical working groups and task forces, comprising experts from member companies who work directly on addressing safety, materials and substances, trade, alternative fuels, climate change (focusing on emissions, circularity, alternative fuels, batteries, sustainability), and other key areas. Climate change is a global challenge that demands collective action and international cooperation, to which the automotive industry will make a key contribution by pursuing net-zero emissions and carbon neutrality. The European automobile industry, which includes passenger cars, vans, trucks, and buses, is a world leader in technology and clean vehicles – with regard to both production and use – and Europe's number one investor in R&D, responsible for 33% of total EU spending on innovation. Much of this goes towards developing fuel-efficient and low- and zero-carbon technologies, and towards reducing the environmental impact of products and processes. ACEA considers the revision and adaptation of vehicle regulations (such as those regarding CO₂ emissions from cars, vans, and heavy-duty vehicles, Euro 7 standards, circularity, and product sustainability) as a crucial step in decarbonising road transport and advancing sustainability, circularity, and innovation. It also advocates for supportive measures, enabling conditions, and a consistent policy framework, which are essential drivers of the energy transition in road transport.

Trade Association: Hydrogen Europe

As a member of Hydrogen Europe, Iveco Group actively participates in several of the association's working groups (such as Mobility, Heavy Duty, Sustainability, Funding and Finance, Advocacy) and in its Technical Committee. The Group also participates in the European Clean Hydrogen Alliance⁽¹²²⁾ and its Mobility Roundtable, representing the road transport industry and contributing to the development of a sustainable and competitive industrial-hydrogen economy in the EU. Moreover, it actively contributes to the association's H2ero Net Zero strategy, aimed at removing barriers to investments in hydrogen, influencing policy making, advancing clean hydrogen technologies, and scaling their deployment to achieve net zero by 2050. Hydrogen Europe brings together various industry players, large companies, and SMEs committed to delivering hydrogen and fuel-cell technologies. To achieve this objective, the association collaborates with public authorities through its partnership with Iveco Group and its involvement in both the EU Clean Hydrogen Alliance and Important Projects of Common European Interest (IPCEI). The association is also actively involved in public-private partnerships (PPP) that support research, technological development, and practical demos of fuel-cell and hydrogen technologies in Europe. Its main policies underscore the critical role of hydrogen technology in decarbonising the EU's economy, prioritising timely investments in hydrogen applications and projects to meet the 2030 climate targets. Hydrogen Europe and Iveco Group are both members of the DG Move Sub-Group of the EU Commission's Sustainable Transport Forum (STF), focused on developing a hydrogen refuelling infrastructure for light- and heavy-duty vehicles across Europe.

⁽¹²²⁾ Initiative of the European Commission and Hydrogen Europe.

Trade Association: Brazilian Association of Automotive Vehicle Manufacturers (ANFAVEA)

Iveco Group is a member of ANFAVEA, an association comprising 26 members from the passenger car, commercial vehicle, and agricultural machinery industries. The Group is an active member of ANFAVEA's Board of Directors and of several of its committees (including Heavy Duty, Environment, Safety, Legislative). The association advocates for decarbonisation in the transport sector, supporting the introduction of a diverse range of carbon-neutral solutions including biomethane and other biofuels, hydrogen, and electrification. ANFAVEA has taken a leading role in discussions with the Brazilian government on developing policies to reduce carbon emissions and establishing support measures for the deployment of biofuels, and for advancing the sector's priorities in relation to the ongoing tax reform, particularly focusing on creating a framework to incentivise the local development of new technologies in collaboration with public institutions, universities, and research centres. As part of this effort, the Brazilian government launched the MOVER Green Mobility and Innovation Program that, among other things, establishes requirements for fuel efficiency, recyclability, and safety. ANFAVEA has also taken a prominent stance on supporting fleet renewal initiatives, given that Brazil is estimated to have over 500,000 trucks and buses that are more than 20 years old. Beyond the considerable environmental repercussions, vehicles approaching their end of life contribute significantly to accidents and traffic congestion. For this reason, the association has advocated for national and state-level fleet renewal programmes to assist truck and bus owners in replacing older models with newer ones and to ensure the proper disposal of end-of-life vehicles.

Political Parties

Iveco Group is committed to employing the highest standards of transparency and integrity in any and all relationships it has with political parties, as well as with their representatives or candidates (collectively referred to as Political Parties). Financial contributions to Political Parties are only allowed where permitted by law and must be authorised at the appropriate level within each legal entity. An employee's political affiliation or financial contribution is considered a personal matter and is completely voluntary, including contributions made through a Political Action Committee (PAC).

In 2025, **no contributions** were made to Political Parties. Furthermore, no Board member had held a comparable position in public administration (including regulatory bodies) in the 2 years prior to their appointment.

11.7 SUSTAINABLE SUPPLY CHAIN (G1-2, G1-6)

In keeping with previous years, Iveco Group continued to take a responsible approach to the management of its entire supply chain. From small local companies to large multinational organisations, the Group remained focused on forging relationships that go beyond commercial transactions, working hard to build long-lasting and mutually beneficial collaborations with eminent and qualified partners that share its principles. For Iveco Group, supply chain sustainability means strategically and effectively promoting a sense of shared responsibility beyond corporate boundaries. This means that, in addition to the established priorities at the heart of supply chain management – quality, price, and lead times – the Organisation is fundamentally committed to advocating socially and environmentally responsible practices across its entire supply chain, while spreading a culture of sustainability among those employees who work with the suppliers every day. Relationships based on open dialogue and collaboration foster efficiency, quality, innovation and, above all, a shared commitment to achieving sustainability targets, creating undeniable mutual benefits for both Group and suppliers. Furthermore, all parties involved stand to gain from long-term relationships centred on the implementation and monitoring of high standards of sustainability, because this reduces potential risks, ensures continuity of supply, and improves overall sustainability along the entire supply chain, mitigating reputational risks that could affect the Organisation's credibility.

Iveco Group's purchases are managed by its Group Procurement function within the Quality & Operations Department, operating globally through dedicated structures, by product line and sourcing areas. These Procurement teams define strategies and guidelines to build and strengthen alliances with suppliers, offering them stability and development opportunities by leveraging the Group's broad product portfolio. The ultimate responsibility for sustainability in supply chain management lies with Iveco Group's Senior Leadership Team (SLT). Meanwhile, a dedicated ESG & Compliance team (established within the Quality & Operations Department) is responsible for monitoring suppliers' ESG performance and for driving improvements in environmental and social stewardship through the sustainability assessment process.

Two strategic sustainability **targets** for suppliers were incorporated into Iveco Group's Strategic Business Plan:

- 100%⁽¹²³⁾ of Tier 1 suppliers to be involved in sustainability assessments by year-end 2026
- a 30% reduction in absolute CO₂ emissions generated by major suppliers of purchased goods and services by year-end 2030 (compared to 2022)
- 2026: execution of 80 supplier sustainability audits.

For further details on:

- the target definition process
- stakeholder involvement in target setting
- the target base year and applicable period
- target monitoring and progress during the year

please refer to the Sustainability Plan in 1.6 Strategy, Business Model, and Value Chain.

⁽¹²³⁾ Target progress is calculated as a percentage of Iveco Group's annual purchase value (APV).

To ensure the consistent alignment of the Group's supply chain and purchasing practices with the Supplier Code of Conduct, an Ethical Check is conducted on new suppliers and repeated periodically for all existing ones. This assessment is conducted by an external third party, using a dedicated reporting system that allows the monitoring of any potential issues that may require further clarification or investigation. This periodic monitoring is regulated by Iveco Group policies and procedures designed to ensure supplier compliance.

All suppliers must comply with applicable laws (including, but not limited to, anti-corruption and antitrust regulations) and with the Supplier Code of Conduct, and are obliged to report any suspected violations thereof to the Organisation. To this end, they have access to an operational grievance mechanism, the Compliance Helpline (details of which are available in the Supplier Code of Conduct), to report potential violations of corporate policies, the Code of Conduct, or applicable laws. Any violations by suppliers may result in the termination of their business relationship with Iveco Group.

Moreover, during the year, Iveco Group continued to implement a number of well-established initiatives targeting those employees responsible for supplier relationships, e.g., the Procurement function, raising awareness of sustainability and good governance among suppliers through open and ongoing dialogue. These initiatives included the development of targeted training modules, focusing on topics such as:

- Iveco Group's sustainable procurement strategy
- EU regulations (on deforestation, batteries, and carbon border adjustment, respectively EUDR, EUBR, CBAM) impacting the Group's supply chain
- Iveco Group's decarbonisation strategy and projects.

Supplier Profile

Iveco Group manages purchases worth above €8.6 billion and a network of 1,790 direct material suppliers. In 2025, 30 new eligible suppliers were assessed to join this network, while there were no significant changes to supply chain structure and no additional outsourcing of activities. The top 150 suppliers are considered strategic suppliers, not only because they generate 75% of the total value of purchases, but also because of the length of each relationship and the extent of each supplier's production capacity and capability for handling spare parts.

Suppliers in Numbers

	2025	2024
Direct and indirect material purchases (% of the total volume of Iveco Group purchases)	90	90
Direct material suppliers (number)	1,790	1,966
Value of purchases from direct material suppliers (€ billion)	6.76	7.15
Value of purchases from indirect material suppliers (€ billion)	1.02	1.03
Local suppliers (%)	97	96

The targets the Group has set itself include developing local skills, transferring technical and managerial expertise, and strengthening local businesses. The Organisation strives to build strong long-term relationships with local suppliers as this presents fewer risks associated with business operations and optimises costs.

Significant amounts are spent on local suppliers⁽¹²⁴⁾: in 2025, the contracts signed with them by Iveco Group accounted for 97% of its procurement costs. Furthermore, 89% of these contracts were signed in Europe, which is the primary location of operation⁽¹²⁵⁾.

Still in 2025, the Group performed a detailed financial assessment of its supplier base (which will be conducted regularly) to monitor and mitigate financial risk. It involved 949 suppliers (accounting for approximately 53% of direct material purchases) in the following categories:

- casting, forging, and machining: 15%
- cabs: 27%
- chassis: 24%
- emerging technologies and electrical components: 17%
- emission-relevant technologies: 16%.

Of the suppliers involved in the assessment, 94% were in Europe and 6% in South America.

⁽¹²⁴⁾ Local suppliers are those operating in the same country as the Iveco Group plant in question.

⁽¹²⁵⁾ The significant locations of operation are defined by total direct material purchases. Europe represents the Group's primary location of operation as its direct material purchases account for 89% of the total value of purchases.

The Organisation recognises that the continuous monitoring of economic factors is essential to good supply chain management. The tool used for financial risk assessments (called TIGRAN) gives supply chain managers access to the suppliers' financial assessments. The tool is continually updated with confidential information provided by the suppliers themselves and with information contained in any financial reports. Based on the results of this evaluation, which are generated automatically and checked by an analyst, suppliers are classified according to their category of financial risk. Suppliers in particular difficulty are monitored weekly to prevent or minimise the risk of any interruptions to the supply chain.

Supplier Selection

Considerable effort went into ensuring the full integration of environmental and social sustainability standards into the supplier management system. Selecting and codifying new suppliers is an operational phase of the procurement process that is regulated by specific internal procedures. Selection is based not only on the quality and competitiveness of supplier products and services but also on supplier compliance with the Group's social, ethical, and environmental principles, as reflected by the environmental requirements (e.g., regarding emission factors) integrated into the Request for Quotation (RfQ) phase.

New suppliers are required to sign a formal Commitment Declaration through which they agree to comply with both the corporate Code of Conduct and Supplier Code of Conduct. Specific contractual clauses require them to provide references and demonstrate abilities in relation to: fighting corruption, safeguarding the environment, promoting health and safety at work, ensuring non-discrimination, prohibiting forced and/or child labour, and recognising employees' freedom of association. Supplier agreements contain these and other clauses, as well as best practices and the General Purchasing Terms and Conditions, all of which are shared and applied consistently across Iveco Group.

If a supplier fails to adhere to any of the above principles, the Organisation reserves the right to terminate the business relationship or instruct the supplier to implement a corrective action plan.

A company's potential to join the Group's supply chain is evaluated through the **Potential Suppliers Assessment (PSA) process**, which allows identifying a supplier's strengths and weaknesses, as well as its ability to manufacture according to the defined quality standards using best practices; it also allows systems and processes to be assessed directly at supplier plants. The PSA process is carried out not only to evaluate companies that do not currently provide direct materials to Iveco Group, but also existing suppliers that have undergone reorganisation or whose plants were relocated. PSAs are performed prior to the procurement phase to allow potential new suppliers to participate in tenders. PSA criteria involve key sustainability aspects, with explicit reference to both environmental and occupational health and safety management. Indeed, one of the requirements is to have environmental and health and safety systems in working areas, preferably certified by a third party. A dedicated section of the PSA also provides for verification of suppliers' compliance with the restrictions on the use of hazardous substances. A suitable management system is a key factor in the Group's decision to do business with suppliers, as it reflects their efforts to monitor and manage environmental aspects, labour practices, human rights, and their impacts on society.

In 2025, 30 new suppliers were evaluated according to the above criteria and deemed ready to be added to the Group's network. Supplier sustainability is then assessed regularly based on indicators included in an assessment questionnaire, with results verified by audit for a number of suppliers determined each year.

Supplier Performance Monitoring

Iveco Group monitors supplier performance via the Supplier Holistic Scorecard, a new dashboard designed to provide a comprehensive overview of suppliers. It is structured around two main categories – Performance and Onboarding – with KPIs grouped into 5 clusters⁽¹²⁶⁾, then normalised and weighted.

The dashboard also features a dedicated 'ESG & Compliance' cluster, including KPIs related to sustainability and compliance. This allows monitoring suppliers' adherence to the highest environmental, social, and governance (ESG) standards, further supporting the Group's strong commitment to sustainability. Additionally, it enhances the Group's risk management capabilities by providing more granular insights into potential vulnerabilities and compliance issues, allowing for more proactive and effective mitigation strategies.

Supplier ESG Assessment

Undoubtedly, suppliers are central to supply continuity and can influence the way public opinion perceives Iveco Group's social and environmental responsibility. The Group has therefore developed a process to assess its suppliers on sustainability issues, which helps prevent or minimise the environmental or social impact of the supply chain. This process is also a means to engage suppliers while promoting high sustainability standards and continuous improvement and development. To this end, Iveco Group provides an email address exclusively for suppliers to deal with sustainability matters, so as to enhance communication and ensure it is effective and transparent.

The supplier assessment process is performed annually, managed by the ESG & Compliance function and overseen by the Quality & Operations Department. It involves 3 steps over the year:

- step 1: supplier ESG disclosure and assessment (via the Open-es platform)
- step 2: supplier ESG risk evaluation
- step 3: supplier ESG audits by a third party and development of improvement plans, if needed.

⁽¹²⁶⁾ Competitiveness, time readiness, quality, time delivery, and ESG & compliance.

During the **first step** of the evaluation process, suppliers are asked to fill out an ESG assessment questionnaire on Open-es, a digital platform designed to engage companies in a shared journey towards sustainability performance improvement. The platform is an interactive ecosystem in which Iveco Group serves as a Value Chain Partner, playing an active role together with its suppliers. All companies within this ecosystem collaborate and compete on sustainability matters with a sense of purpose, so as to create tangible, long-term value across the entire production chain. In order to monitor the ESG performance of its suppliers, Iveco Group asks them to register on the Open-es platform, access their ESG profile, and fill out the Open-es questionnaire, which is structured around the three Environmental, Social, and Governance (ESG) pillars. After the assessment, suppliers can access their ESG reports via the platform, along with suggestions regarding the implementation of corrective or improvement actions based on any gaps identified. Meanwhile, the data they entered into the Open-es platform allows Iveco Group to screen them on sustainability topics. To support the suppliers' continuous improvement and development, Open-es also offers in-depth technical support programmes to build their capacity and improve their ESG performance, as well as validation, auditing, comparison/ESG benchmarks, and consultancy services.

During the **second step** of the evaluation process, the outcomes of the Open-es assessment questionnaires (Open-es score) are analysed and used by the Group to perform an ESG risk assessment, based on specific criteria, enabling the identification of critical suppliers⁽¹²⁷⁾ whose compliance with ESG requirements needs to be addressed through additional actions, follow-ups, and/or auditing.

Throughout the year, the Group continued to engage its direct material suppliers to join the Open-es platform, bringing the total number of registered suppliers to 596⁽¹²⁸⁾, representing approximately 92% of Iveco Group's direct material purchases⁽¹²⁹⁾.

2025 Analysis of Supplier Assessment Questionnaires

	Number of suppliers identified as having significant actual and/or potential negative impacts ^(a)	Significant actual and/or potential negative impacts
Environmental aspects	7	Lack of information regarding: <ul style="list-style-type: none"> ▪ climate change strategy ▪ water management ▪ monitoring of pollution ▪ circular economy
Social aspects	1	Lack of information regarding: <ul style="list-style-type: none"> ▪ materiality assessment and social impacts ▪ ESG strategy in the value chain

^(a) Out of 124 suppliers that had completed over 50% of the Open-es questionnaire and for which the Group's annual purchase value (APV) exceeds €500,000 per supplier.

ESG audits represent the **third step** of the ESG evaluation process. They are organised in agreement with the suppliers, and performed on site at their plants by independent external auditors. Iveco Group, together with the auditors, has developed a checklist of all relevant sustainability-related aspects; should these reveal critical issues to be addressed, action plans are drawn up with the suppliers to define:

- improvement areas (e.g., implementation of internal procedures in line with sustainability principles)
- responsibilities (which could entail organisational changes)
- corrective measures (e.g., targeted training programmes)
- timeframes for action plans.

In 2025, the ESG audits conducted by external auditors took place at 80 supplier plants worldwide.

Audits by Geographic Region

(number)

	2025	2024
Europe	57	59
South America	21	13
Rest of World	2	12
Total	80	84

Globally, the total audits performed covered approximately 9.3% of Iveco Group's total purchase value.

⁽¹²⁷⁾ Suppliers posing a substantial risk in terms of negative ESG impacts and/or identified as being of significant business relevance to Iveco Group.

⁽¹²⁸⁾ Selected based on an annual purchase value (APV) of over €500,000 per supplier.

⁽¹²⁹⁾ Percentage calculated with reference to direct material purchases from suppliers for which the Group's annual purchase value (APV) exceeds €500,000 per supplier.

In 2025, 71 suppliers (representing 88% of those audited during the year) were required to address areas in need of improvement through corrective measures. Across these suppliers, a total of 745 findings were identified as requiring follow-up, corresponding to 23% of the total checks performed. For all suppliers identified as having significant actual and/or potential negative impacts, Iveco Group agreed on a number of corrective action plans, as indicated in the following table. It should be noted that the increase in the number of action plans compared to 2024 was due to the adoption of an updated audit checklist more closely aligned with Open-es requirements, which place greater emphasis on environmental topics. No critical issues were identified during the audits; therefore, no contracts were suspended or terminated.

Action plans are then monitored via follow-ups between supplier and auditor, under the supervision of Iveco Group's ESG & Compliance function. In the event of defaulting suppliers, further corrective actions are defined and implemented in agreement with the Group's relevant internal departments.

2025 Analysis of Corrective Action Plans

	Number of action plans identified	Main action plan topics
Environmental	295	<ul style="list-style-type: none"> ▪ GHG monitoring and definition of GHG emission reduction targets ▪ evaluation of energy efficiency and sources, alongside energy monitoring ▪ development of eco-design concepts for product reuse, recycling, repair, and refurbishment ▪ product life cycle assessments (LCA) and product carbon footprint (PCF)
Social	116	<ul style="list-style-type: none"> ▪ policies and/or guidelines for managing diversity, inclusion, and equal opportunities ▪ employee training hours (%) by contract type and by gender, including ESG training ▪ availability of grievance channels to report cases of discrimination or human rights violations ▪ trends in new hires and employee turnover
Governance	217	<ul style="list-style-type: none"> ▪ awareness raising across the supply chain ▪ integration of ESG aspects into supplier selection ▪ measurement of ESG performance based on appropriate standards ▪ anti-corruption policies and procedures
Additional specific requirements	117	<ul style="list-style-type: none"> ▪ supplier Open-es level and ESG rating results ▪ environmental management system or other ESG certifications in place

Building Strong Supplier Relationships

Iveco Group is firmly convinced that suppliers are key to its sustainable growth, which is why it does its best to keep them engaged and informed at all times. This continuous dialogue and exchange allows the Group to strengthen supplier relationships, providing fertile ground for shared goals and strategies and for thriving collaborations and joint projects – as evidenced by the Group's many long-standing and mutually beneficial alliances. The Supplier Portal is the main collaboration and communication platform used by Iveco Group to interact with its supply chain, providing access to forms, documents, and tools to exchange information and manage any operations involving suppliers. Encouraging Open-es platform membership is Iveco Group's primary means of increasing supplier engagement and sustainability awareness. The platform's approach revolves around creating a sense of community and providing a space where experiences can be shared. The opportunity for comparison with other industry companies makes suppliers more aware of their areas of strength and more mindful of any areas for improvement and action priorities.

In 2025, the Group strengthened its collaboration with suppliers by putting on two significant events. On 13 May, it hosted *Excellence Without Compromise* at the Iveco Group Industrial Village, in Turin (Italy), welcoming more than 100 suppliers to share insights into the Organisation's vision, technology, product roadmaps, and commitment to driving execution. The event marked an important step in advancing partnerships and fostering joint success. Building on this momentum, from 12-15 June, the Group celebrated *IVECO's 50th Anniversary* at OGR Torino⁽¹³⁰⁾, honouring the Brand's rich Italian heritage and its evolution into the company it is today. Meanwhile, on 13 June, suppliers were engaged in an *Operations Roundtable* and a *Supplier Awards* session, underscoring the Organisation's dedication to elevating partnerships to a transformational level. These initiatives reflect an ambition to create a more competitive and agile business, where every supplier plays a pivotal role in achieving shared goals. Additionally, a webinar was held for the supplier base of Brand FPT to provide insights into procurement, manufacturing, and quality, sharing key information while raising awareness of the Powertrain Business Unit's growth. Another key initiative rolled out across regions, known as *Technology Days*, offered suppliers a platform to showcase their latest innovations and technological advancements while addressing specific topics and recent developments, with 2 events held in Europe and 22 in South America.

Building on the initiatives launched in 2024 to strengthen Iveco Group's sustainability strategy and reduce supply chain emissions, January 2025 marked a significant milestone, with over 60 steel suppliers – providing both raw materials and finished components – participating in a dedicated webinar focused on the Group's decarbonisation strategy, starting with steel, the single largest contributor to its Scope 3 Category 1 emissions.

⁽¹³⁰⁾ Formerly 'Officine Grandi Riparazioni', a historic industrial complex restored and turned into a multipurpose hub for culture and innovation.

As part of the Organisation's ongoing ESG assessment efforts, a webinar was held in June 2025 on the Open-es platform and its assessment process. The session was specifically designed for all suppliers who had participated in the 2024 disclosure, to ensure alignment and clarity on expectations moving forward.

Additional compliance-focused training sessions were conducted to address key EU regulations impacting suppliers and their supply chains, including the EU Deforestation Regulation (EUDR) and the Carbon Border Adjustment Mechanism (CBAM).

Numerous initiatives were also promoted to foster innovation among suppliers, advocating a proactive approach to business. In this regard, one of the Group's key initiatives is to act on supplier suggestions; indeed, through the Suppliers' Proposals section, accessible via the Supplier Portal, suppliers can submit both cost reduction and quality improvement ideas, which are then evaluated by a dedicated cross-functional team at Iveco Group.

In South America, several initiatives were implemented in 2025 to strengthen relationships and engagement with local suppliers, with a focus on building strategic and sustainable partnerships. For example, 3 webinars were held to provide clarifications, strategic alignment, and engagement opportunities while sharing best practices, receiving positive feedback from the local supplier network.

September saw the 2025 *Supplier Meeting LATAM*, now in its fourth consecutive year, establishing itself as one of the main strategic meetings in the region. The initiative brought the main suppliers from Brazil and Argentina together with Iveco Group's senior management, to strengthen partnerships, share knowledge, present market updates and new projects, and acknowledge local initiatives aligned with the Group's global pillars of excellence. One of the central themes was the presentation of Iveco Group's new Quality & Operations Department, highlighting its mission to ensure excellence without compromise and to strengthen integration with the supply chain. During the meeting, Iveco Group leaders also shared strategic messages to guide actions in the region, addressing topics such as resilience in the face of volatility, the energy transition, efficiency, and sustainability. In addition, themed panels were held to discuss 4 fundamental pillars – sustainability, customer experience, proactivity, and reliability – providing insight into ways to include recyclability criteria, anticipate challenges, innovate procurement processes, and maintain global quality and safety standards.

An event highlight was the recognition of suppliers that excelled in the 4 new strategic categories: Driving Experience, Driving Reliability, Driving Proactivity, and Driving Sustainability. For the latter, a specific webinar was held to reinforce the Group's ESG pillars and encourage suppliers to present projects aligned with sustainability priorities. 31 projects were submitted by 25 suppliers covering key areas such as Inclusion and Engagement (7), Zero Carbon (10), Product Life Cycle Perspective (8), and Safety at Work (6), reflecting the joint commitment to responsible innovation and sustainable development.

The above efforts reflect the Group's dedication to establishing solid, sustainable, and innovative partnerships, in line with its vision of building a more responsible future while strengthening its leadership in the sector.

Collaboration Projects with Suppliers

In order to enhance supplier engagement and promote initiatives focused on cost reductions and localisation, Iveco Group launched 22 of the above-mentioned projects submitted by suppliers in South America, including the following 2 key initiatives:

- **Supplier Meeting and IVECO S-WAY Benchmarking Workshop in Argentina**

In Argentina, a *Supplier Meeting* brought together top local partners for a strategic meeting focused on exploring potential cost reductions for both existing products and new projects, as well as crucial topics such as NexPro aftermarket solutions, sustainability, and localisation. The event included the *IVECO S-WAY Benchmarking Workshop*, held to identify cost optimisation opportunities and key competitiveness.

- **NEF Workshop in Brazil**

The *NEF Engines Workshop* was held at the FPT Engineering Center in Contagem, bringing together more than 80 suppliers for practical discussions with the Engineering, Purchasing, and Quality teams, resulting in the identification of 679 opportunities for cost optimisation and localisation (e.g., the regional production of components).

These initiatives reflect the Group's commitment to strengthening relationships with its suppliers and to seeking solutions that drive competitiveness, sustainability, and efficiency across South America.

Payment Practices

In light of today's global context, it is ever more important to closely monitor and manage any critical situations arising along the supply chain. To this end, Iveco Group has further strengthened its structures and mechanisms for managing suppliers in financial difficulty, focusing on promptly identifying high-risk situations and on stabilising them through appropriate measures to ensure supply continuity. These measures include a recently implemented supplier monitoring tool.

The Group's contractual payment terms are designed to be consistent across all supplier categories and in line with mandatory regulations.

Worldwide, Iveco Group's average standard contractual payment term is 67 days starting from the invoice date (70 in 2024); this average includes agreements with some long-term business partners or to regulate specific situations to which different payment terms may apply (the details of payment terms by category and the percentage of payments aligned with the standard terms are currently unavailable).

In the reporting period, the average time taken to pay an invoice from the date when the contractual payment term starts to be calculated was 77 days (81 in 2024). This average reflects the Group's performance across all supplier categories, including small- and medium-sized enterprises (SMEs).

In 2025, no material legal proceedings were initiated concerning claims for late payments to suppliers.

COMPLEMENTARY INFORMATION

1. PLANT IMPACT MANAGEMENT

1.1 ADDITIONAL INFORMATION ON PLANTS

The plants included in the Focus Area reporting scope (see 1.1 General Basis for the Preparation of the Sustainability Statement) are certified as per the following table.

2025 Plant Certifications

Focus Area

Country	Plant	Business Unit ^(a)	Primary functions	Quality	Safety	Environment	Energy
				ISO 9001 or IATF 16949	ISO 45001	ISO 14001	ISO 50001
EUROPE							
Czech Republic	Vysoke Myto	Bus	Buses (city, intercity)	Yes	Yes	Yes	Yes
France	Annonay	Bus	Buses (coaches, city)	Yes	Yes	Yes	Yes
France	Bourbon-Lancy	Powertrain	Engines (heavy)	Yes	Yes	Yes	Yes
France	Rorthais	Bus	Buses (city)	Yes	Yes	Yes	Yes
Italy	Bolzano	Defence	Defence vehicles	Yes	Yes	Yes	Yes
Italy	Brescia	Truck	Medium vehicles, cabs, chassis	Yes	Yes	Yes	Yes
Italy	Foggia	Powertrain	Engines (light), drive shafts	Yes	Yes	Yes	Yes
Italy	Piacenza	Defence	Quarry and construction vehicles	Yes	Yes	Yes	Yes
Italy	Suzzara	Truck	Light vehicles	Yes	Yes	Yes	Yes
Italy	Torino Driveline	Powertrain	Transmissions, axles	Yes	Yes	Yes	Yes
Italy	Torino Motori	Powertrain	Engines (heavy)	Yes	Yes	Yes	Yes
Italy	Vittorio Veneto	Defence	Components	Yes	Yes	Yes	Yes
Spain	Madrid	Truck	Heavy vehicles	Yes	Yes	Yes	Yes
Spain	Valladolid	Truck	Light vehicles, heavy cabs components	Yes	Yes	Yes	Yes
SOUTH AMERICA							
Argentina	Cordoba	Truck	Medium and heavy vehicles	Yes	Yes	Yes	Yes
Argentina	Cordoba	Powertrain	Engines (heavy)	Yes	Yes	Yes	Yes
Brazil	Sete Lagoas	Truck	Light, medium, and heavy vehicles	Yes	Yes	Yes	Yes
Brazil	Sete Lagoas	Defence	Defence vehicles	Yes	Yes	Yes	Yes
Brazil	Sete Lagoas	Powertrain	Engines (light, medium, and heavy)	Yes	Yes	Yes	Yes
REST OF WORLD							
China	Chongqing	Powertrain	Engines (light, medium, and heavy)	Yes	Yes	Yes	Yes

^(a) Iveco Group's business units comprise the brands indicated in brackets: Truck (IVECO); Powertrain (FPT); Bus (IVECO BUS, HEULIEZ); Defence (IDV, ASTRA).

To promote and disseminate the principles of continuous improvement across quality, environmental, safety, and energy management within the Organisation, a number of targeted **training tools** are in place for its people (see 7.11.3 Learning and Development).

1.1.1 Environmental protection management

Iveco Group makes every effort to enhance the effectiveness, efficiency, economic viability, and environmental sustainability of its manufacturing processes. This entails streamlining systems and technologies, improving existing materials, processes, and techniques, and developing new ones, striving to ensure they are all technologically appropriate, technically feasible, and eco-friendly. New plants are built in compliance with environmental protection criteria, taking into account specific local needs and the impact of construction on the land and surrounding ecosystem. Newly acquired plants, on the other hand, are assessed based on existing processes and operations to determine the measures necessary to comply with the Organisation's environmental management standards.

Continuously improving the environmental performance of manufacturing processes is one of Iveco Group's top priorities. This means adopting both conventional and advanced technologies to increase operational efficiencies, and acting responsibly to mitigate their environmental impact. It also entails implementing a robust environmental management system to monitor, measure, and quantify significant environmental aspects, with improvement targets set at both corporate and plant levels. Just as importantly, it involves safeguarding the environment based on principles of prevention, protection, information sharing, and people engagement, so as to create effective long-term value.

Iveco Group uses well-established monitoring and reporting systems and effective key performance indicators (KPIs) to track its environmental performance, measure the effectiveness of actions taken to achieve targets, and plan new improvement initiatives. The KPIs in place can be analysed at different levels (plant, business unit, geographic region, or Organisation-wide), which enables the simultaneous and parallel engagement of multiple corporate functions at various levels in meeting targets. The Group also performs periodic internal and external benchmarking activities to help drive the continuous improvement of its plants' environmental performance.

Environmental Impacts Covered by Iveco Group's LCA and Environmental Management Systems

RESOURCE USE
Abiotic depletion (fossil fuels, minerals)
Land use
Water depletion
ECOLOGICAL CONSEQUENCES
Acidification
Dust & particulate matter
Ecotoxicity
Eutrophication
Global warming
Ozone depletion
Photochemical ozone formation
Species richness
HUMAN HEALTH
Human toxicity
Ionising radiation

1.1.2 Responsibility and organisation

The ultimate responsibility for Iveco Group's environmental protection initiatives lies with the Senior Leadership Team (SLT), while the specific projects to reduce the environmental impact of manufacturing processes are the responsibility of plant managers.

Environmental issues are coordinated and managed by the central Energy, Environment, Health and Safety (EEHS) function, in line with the Group's Environmental and Energy policies. Serving as a reference point for sustainability, the EEHS implements improvement actions at local level, periodically assesses performance against targets, proposes new initiatives, and defines environmental policies. An important role is also played by plant employees from other functions/units (production lines, logistics, manufacturing engineering, etc.) involved in addressing environmental issues in various capacities.

1.1.3 Environmental and energy-related investments

In 2025, the Group's environmental protection initiatives accounted for €2.6 million in investments in capital expenditures (CapEx) and €595,000 in operational expenditures (OpEx), with part of these investments linked to projects from previous years.

Similarly, expenditures relating to energy projects totalled €2.95 million in CapEx and €260,000 in OpEx, including allocations for ongoing projects. Notably, the efficiency initiatives introduced during the year generated annual cost savings of approximately €1.12 million, with an estimated simple payback period of around 2 years.

1.1.4 Process certification

To enhance its environmental management and performance, Iveco Group has committed to certifying its plants' environmental management systems as per the **ISO 14001** international standard, and to maintaining such certifications. As at year-end 2025, all 20 plants within the scope of the Focus Area⁽¹³¹⁾ were ISO 14001 certified. An ISO 14001 certified environmental management system enables the systematic management of environmental aspects under normal and abnormal operating conditions, as well as in emergencies. In the latter case, it requires the adoption and regular verification of emergency plans and procedures, along with related staff training. These procedures define roles, responsibilities, and the appropriate response for tackling anomalous and/or emergency situations, to protect both people and the environment.

Maintaining environmental certification entails annual monitoring through a series of external third-party audits carried out by accredited bodies, and certification renewal every 3 years. Individual plants are also required to verify the performance of their environmental management systems through annual internal audits.

With regard to energy management, as at the end of 2025, all 20 plants within the Focus Area reporting scope were ISO 50001:2018 certified, evidence of the Group's quest to reduce its energy impact. The main advantage of **ISO 50001** certification is its systematic approach to continuous improvement in energy performance, resulting in more efficient energy use, cost savings, and fewer GHG emissions. These efforts also apply to other sites beyond the Focus Area, such as those in San Mauro Torinese (Italy), Garchizy (France) and, as of 2025, Ulm (Germany).

1.1.5 Engagement and awareness activities

Iveco Group implements specific awareness-raising activities in its effort to promote and disseminate the principles of continuous improvement and environmental management both within and beyond corporate boundaries. During the year, initiatives to engage its people included awareness training focused on: water efficiency management programmes, wastewater and chemical product management, waste sorting, and waste reduction and reuse, the latter including the production of items subsequently donated to local communities.

Meanwhile, initiatives carried out with local authorities and schools involved promoting eco-design activities and donating engines to technical schools for use as teaching aids.

In 2025, a total of 14,904 hours of environmental **training** was delivered to employees, including 14,105 hours of on-the-job training for 13,634 individuals (91% of whom were hourly) representing 38% of the global employee headcount. With regard to energy efficiency, approximately 2,200 hours of training were provided (mainly by in-house professionals) to more than 3,200 people across different plants, focusing on proper energy performance monitoring and management, the Group's decarbonisation strategy, and the best and latest technologies available. Several employee initiatives were introduced to raise energy awareness and promote a more sustainable lifestyle, such as energy workshops covering a range of topics of interest to the many Iveco Group energy specialists attending from plants worldwide. As might be expected, the Group's commitment to raising awareness of environmental issues also extends to its suppliers and dealers.

3 courses on the Quality Management System were delivered to employees in 2025: *Auditor ISO 9001*, *IATF 16949 Auditor*, and training on the new *Supplier Holistic Scorecard*.

1.1.6 Protecting the soil and subsoil

Iveco Group strives to minimise the risk of environmental impact on the soil and subsoil around its sites.

In Europe, for example, following the circulation of specific guidelines for monitoring existing underground structures, plants periodically carry out the monitoring and inspection of tanks, vats, and underground pipes. In 2025, no significant releases of potentially contaminating substances were recorded.

⁽¹³¹⁾ For the complete list of plants, see 1.1 General Basis for the Preparation of the Sustainability Statement.

1.1.7 Protecting biodiversity

Iveco Group recognises the importance of protecting and enhancing biodiversity in the areas surrounding its plants, in line with its corporate policies. To assess some of its manufacturing sites near protected areas of particular environmental interest, the Group employs the biodiversity value index (BVI) methodology. It provides for an in-depth analysis of ecosystems within a 5-kilometre radius of these sites, determining biodiversity levels and identifying improvement measures accordingly.

The Organisation's approach to biodiversity also encompasses a second methodology, known as biodiversity risk evaluation (BRE), which focuses on the activities and impact of the plants and on the significant risks they may pose to biodiversity and natural resources, regardless of their contribution to the overall activities and impacts reported in the surrounding areas. The BRE assesses the following 3 main aspects:

- assets – the resources available in the region (protected areas, areas with high biodiversity value, protected species)
- footprint – the impact of plant activities on biodiversity, in terms of use of resources and polluting emissions
- awareness – the level of environmental awareness among plant employees and stakeholders in the region.

The BRE generates a risk map for each plant, indicating its potential to damage biodiversity. These maps are used to determine improvement measures (which are implemented according to the scores assigned to each risk) and to identify standardised indicators (which enable a consistent comparison between different plants' risk maps).

The BRE and BVI methodologies are used to establish a mitigation hierarchy for plant operations within areas of high biodiversity value. After an initial screening assessment to identify high-priority plants located near sensitive areas, the two methods are applied using a multi-criteria scoring system to measure the risks to and impacts on biodiversity of such operations. Mitigation and restoration measures are then implemented according to the main risks identified and the potential involvement of local stakeholders. Both BRE and BVI measure the potential environmental impact of plant operations on biodiversity based on their biodiversity footprint, which is quantified using the ReCiPe 2016 life cycle impact assessment method. This translates material and energy inputs and outputs into potential environmental impact scores, which are further aggregated so that the potential damage to biodiversity is expressed in time-integrated species loss (TISL, i.e., potential species loss per year).

The application of both methods often involves external partners and stakeholders; their engagement is important both in the risk assessment phase, to measure their level of awareness of biodiversity conservation, and in the follow-up phase, when specific mitigation measures are implemented. In both cases, partnerships are encouraged with authorities, NGOs, and public or private third parties managing protected areas. The methods themselves were developed with the support of external partners.

The BVI and BRE methodologies have shown that biodiversity and the ecosystem services at all plants assessed to date are generally exposed to insignificant levels of risk and impact overall. Although no specific improvement measures were required following the adoption of these methodologies, a number of initiatives are being implemented to protect biodiversity within and around the plants that have adopted them. The two methodologies have been implemented at about 92% of plants within the scope of the Focus Area that are near, bordering, or within protected or high-biodiversity areas. The extension of these methodologies to other potentially suitable plants will be assessed over the coming years.

2025 Plants Near, Bordering or Within Protected^(a) or High-Biodiversity Areas
Group-Wide

Plant (Country)	Primary functions	Plant's total surface area (m ²)	Location with respect to protected area	Species on IUCN Red List of threatened species and on national lists (number)
Bolzano (Italy) ^(b)	Defence vehicles	120,000	Adjacent to the protected area (5,000 m)	387 species listed, of which: <ul style="list-style-type: none"> ▪ 0 critically endangered ▪ 6 endangered ▪ 17 vulnerable ▪ 27 near threatened ▪ 337 of least concern
Bourbon-Lancy (France) ^(c)	Engines (heavy)	210,000	Adjacent to the protected area (500 m)	193 species listed, of which: <ul style="list-style-type: none"> ▪ 0 critically endangered ▪ 2 endangered ▪ 1 vulnerable ▪ 1 near threatened ▪ 189 of least concern
Foggia (Italy) ^(c)	Engines (light), drive shafts	601,680	Adjacent to the protected area (3,500 m)	168 species listed, of which: <ul style="list-style-type: none"> ▪ 0 critically endangered ▪ 0 endangered ▪ 2 vulnerable ▪ 6 near threatened ▪ 160 of least concern
Madrid (Spain) ^(c)	Heavy vehicles	347,200	Adjacent to the protected area (1,500 m)	64 species listed, of which: <ul style="list-style-type: none"> ▪ 0 critically endangered ▪ 0 endangered ▪ 0 vulnerable ▪ 1 near threatened ▪ 63 of least concern
Piacenza (Italy) ^(b)	Heavy vehicles	175,000	Adjacent to the protected area (5,000 m)	241 species listed, of which: <ul style="list-style-type: none"> ▪ 2 critically endangered ▪ 6 endangered ▪ 11 vulnerable ▪ 13 near threatened ▪ 209 of least concern
Sete Lagoas (Brazil) ^(c)	Light, medium, and heavy vehicles	2,111,608	Adjacent to the protected area (1,500 m)	79 species listed, of which: <ul style="list-style-type: none"> ▪ 0 critically endangered ▪ 0 endangered ▪ 0 vulnerable ▪ 0 near threatened ▪ 79 of least concern
Suzzara (Italy) ^(c)	Light vehicles	539,000	Adjacent to the protected area (4,000 m)	110 species listed, of which: <ul style="list-style-type: none"> ▪ 0 critically endangered ▪ 2 endangered ▪ 0 vulnerable ▪ 0 near threatened ▪ 108 of least concern
Torino Driveline (Italy) ^(b)	Transmissions, axles	248,310	Adjacent to the protected area (included in a 5 km radius)	299 species listed, of which: <ul style="list-style-type: none"> ▪ 7 critically endangered ▪ 10 endangered ▪ 21 vulnerable ▪ 19 near threatened ▪ 242 of least concern
Torino Motori (Italy) ^(b)	Engines (heavy)	230,000		

^(a) Protected areas (national, regional, of EU-level importance, special protection zones, oases, etc.) are geographically defined areas designated, regulated, or managed to achieve specific conservation objectives. Areas of high biodiversity value are not subject to legal protection, but are recognised by governmental and non-governmental organisations as having significant biodiversity.

^(b) Plant implementing the BRE methodology that is near, bordering or within protected or high-biodiversity areas.

^(c) Plant implementing the BVI methodology that is near, bordering or within protected or high-biodiversity areas.

1.1.8 Other environmental indicators

Iveco Group is also concerned with reducing other environmental indicators, most notably hazardous substances and noise emissions to the external environment generated by its equipment and manufacturing processes. As regards hazardous substances, no PCBs⁽¹³²⁾ or PCTs⁽¹³³⁾ are present in the operations carried out across the Organisation. In 2025, no fines or sanctions for non-compliance related to ecological or environmental issues (including water) were imposed on Iveco Group's plants.

1.1.9 Substances of particular concern for health and the environment

Iveco Group is strongly committed to adopting alternatives to certain substances identified as of particular concern for human health and the environment, and especially to studying and implementing alternatives to heavy metal-containing products used in painting processes. More broadly, the Group is committed to the sustainable and reduced use of chemicals, with a view to environmental protection, waste reduction, and cost savings. At each site that handles hazardous substances, the latter are labelled, stored, handled, and transported as per all applicable local regulations.

1.2 DRIVING OPERATIONS TOGETHER

The *Driving Operations Together* (DOT) programme is Iveco Group's results-oriented approach for continuous improvement, designed to optimise its operations worldwide and incorporate sustainability into its processes. The programme brings a new managerial focus to drive accountability and a more entrepreneurial mindset across all business areas. The DOT holistic model aims to deliver this vision by sustaining a culture of operational excellence in all corporate processes. It is targeted at reducing waste, increasing margins, and improving performance across all value streams, and ultimately at adapting rapidly to change. The DOT approach ensures all personnel are working towards the same goals, contributing to the achievement of operational excellence in all business practices. The DOT programme is built on competitiveness, engagement, and recognition. Through effective skills management and information sharing on technical performance and on the programme's implementation across the Organisation, expertise is further developed and new opportunities are embraced, thereby driving growth. This innovative framework guides the Group's strategy in terms of performance, digitalisation, and competitiveness, ensuring common goals for everyone involved in the pursuit of operational excellence. Its effective governance and project management are fundamental for programme implementation and key to sustaining its momentum, steering actions, increasing accountability, and promoting teamwork.

1.2.1 People development through the DOT programme

The DOT holistic model supports a culture of operational excellence across Iveco Group, paving the way for a consistent and shared approach applied by everyone to achieve best-in-class standards. As at 31 December 2025, 19 plants were participating in the programme, accounting for 57% of employees worldwide.

The DOT programme is designed to enrich the Group's ecosystem by introducing a new managerial focus that encourages a more proactive mindset. This is why employees play a pivotal role in the programme, as reflected by one of its 11 commitments explicitly centred on people, recognising their critical role in driving excellence. The aim of this commitment is to shape the teams of the future by advancing knowledge and skills, while promoting and building a strong culture around improvements in safety, sustainability, quality, products, processes, and logistics. The programme therefore helps the Organisation establish a robust competency development system within each plant, centred on continuous skills gap analysis and evaluation, on the design of targeted training to fill those gaps, and on the development of tailored learning paths.

Personnel development entails addressing some important challenges:

- zero accidents – creating a safety culture
- zero human errors – ensuring seamless interaction between people and systems, so as to improve process competencies
- developing outstanding technical professionals who can assess any facility's current status, develop action plans to reach the desired status, and implement efficient and effective maintenance systems
- developing employees' skills and competencies
- achieving excellent process control through the correct implementation of quality procedures
- involving and motivating people to assume responsibilities within a continuous improvement environment.

Iveco Group's leadership approach to employee engagement prioritises its people's wellbeing and input, driven by the belief that the more passionate and engaged people are, the more productive they are, and the more their suggestions are heard, the more they become involved and feel valued by the Organisation. Indeed, the DOT programme's framework enables personnel to share their contributions and suggest improvement projects (known as *kaizen*) to optimise processes, which boosts their engagement while contributing to the Group's growth. Through their suggestions and the direct role they play in projects, employees drive and contribute the most to continuous improvement. The use of tools to share information and collect suggestions is well established at Iveco Group. In 2025, more than 49,000 employee suggestions were collected across the plants where DOT principles are applied. Furthermore, more than 1,900 DOT projects were implemented throughout the year, generating more than €69 million in savings.

⁽¹³²⁾ Polychlorinated biphenyls (PCBs) are a group of extremely stable chemical compounds with excellent dielectric and heat transfer properties, widely used in the past in both industry and commerce (e.g., in capacitors and transformers). Because of their toxicity to humans and to the environment, PCBs are among the most dangerous pollutants.

⁽¹³³⁾ Polychlorinated terphenyls (PCTs) have physical and chemical properties similar to PCBs, and may contain up to 10% PCBs within the product matrix. They have been used in the past as plasticisers, fire retardants, and in various types of coating.

2. DRIVING INNOVATION ACROSS THE PRODUCT LIFE CYCLE

Iveco Group's core business is the design, manufacture, and sale of trucks, commercial vehicles, buses, specialty vehicles, and powertrain applications. The Organisation's ongoing research into cutting-edge solutions and its collaboration with innovative partners enable its brands to manufacture high-performance vehicles that not only have a reduced environmental impact, but also meet customer demand for quality, reliability, safety, comfort, and cost-efficiency, thereby enhancing overall profitability. The Group meets market demand by delivering products closely aligned with customer requirements, particularly focusing on minimising the total cost of ownership (TCO).

The Technology & Digital function is the single point of reference for new technologies and innovation across the Organisation. It oversees product engineering, digital product capabilities, and zero-emissions vehicle programmes for each of the Truck, Bus, and Powertrain business units, leveraging technological advancements to accelerate the pace of product development and evolution. The Chief Technology & Digital Officer is also a member of the Group's Senior Leadership Team (SLT).

In 2025, Iveco Group's R&D expenditure was €672 million, or 5.1% of net revenues from industrial activities, which totalled €13,129 million. R&D involved approximately 3,600 employees at 28 sites worldwide, with approximately 250 of them located at 6 sites in Emerging Markets. For more information on R&D, see the 'Research and Development' section in this Annual Report.

As regards specific investments in low-carbon opportunities, Iveco Group complies with the requirements of the EU taxonomy classification system, which provides a list of environmentally sustainable economic activities that support the EU Green Deal objectives (see 2. EU Taxonomy on Sustainable Activities in this Sustainability Statement).

Low-Carbon Products

Type	Product	2025 Total net revenues ^(a) (%)	2025 Estimated emissions avoided (tCO ₂ eq)	Comment
Low-carbon products	IVECO E-WAY IVECO CROSSWAY ELEC (buses)	31.9	166,829	▪ Zero-emissions electric buses and coaches
	IVECO eDAILY (light vehicle)	1.8		▪ Zero-emissions electric IVECO Daily
Products that enable third parties to avoid emissions	IVECO WAY Model Year 2024 4x2 5LH (heavy vehicle)	31.4	269,233	▪ Diesel version Model Year 2024, delivering -8.8% in CO ₂ emissions vs its previous version
Total			436,062	

^(a) Refers to the respective business unit. For more information on revenues, see 'Business Overview' in this Annual Report.

Data Calculation Methodology

The total reported CO₂ emissions were estimated using an internal methodology that accounts for the number of vehicles sold in 2025, the average CO₂ emissions across the entire range, and the average annual mileage for each vehicle category.

Emissions reductions were calculated by:

- comparing CO₂ emissions from low-carbon products, such as hybrid or electric vehicles, with their equivalent fossil fuel-powered versions
- comparing CO₂ emissions from new model-year vehicles with the previous, less efficient models.

2.1 COLLABORATING WITH EXTERNAL PARTNERS

Iveco Group's brands have a long-standing tradition of delegating basic research to dedicated partners, and of relying on a number of successful collaborations with a broad and well-established network of universities across the globe.

In Europe, the main academic partnerships include those with the following universities: Politecnico di Torino, Politecnico di Milano, Università degli Studi di Torino, Università di Genova, Università di Modena e Reggio, and Università Tor Vergata di Roma (Italy); Univerza V Ljubljani (Slovenia); ETH Zurich (Switzerland); Technische Universität Berlin (Germany); Technische Universiteit Eindhoven (the Netherlands); Vrije Universiteit Brussel (Belgium); Universitat Politècnica de València (Spain); and the Luxembourg Institute of Science and Technology (LIST). The latter is the latest addition to the Group's network, following the announcement of this new R&D partnership in 2024. The collaboration revolves around LIST's Sustainable Composite Materials & Manufacturing Innovation Centre (SCMM-IC), an initiative co-funded by the Luxembourg Ministry of the Economy and the European Regional Development Fund (ERDF). Its aim is to develop composite materials with a very low carbon footprint for transport applications and to demonstrate their role as key enablers of net zero-emission mobility.

Academic partnerships outside Europe include those with Universidade Federal de Minas Gerais (UFMG) and Pontifícia Universidade Católica de Minas Gerais (PUC-MG) in Brazil; the Swinburne University of Technology in Australia; and the University of Michigan and University of California, Riverside in the USA.

Open Innovation

In recent years, to further strengthen its R&D efforts, Iveco Group has embraced a much broader approach to innovation by taking an active role in the Open Innovation arena. This has involved expanding its network beyond universities to include new, innovative entities, as well as actively engaging the Group's brands in Open Innovation, creating value for the Organisation and its stakeholders through successful collaborations with high-tech startups. These partnerships serve a dual purpose: to accelerate the technological evolution of the Group's products while enhancing their sustainability, and to support the development of startup ecosystems in the local communities in which the Organisation operates, generating benefits and prosperity for all.

In an industry where technology is advancing rapidly and competition is fierce, Iveco Group is able to stay one step ahead thanks to a structured scouting and onboarding process, helping it identify the most interesting startups from the wide spectrum with which it engages each year.

To seize the best growth and collaboration opportunities, the Group has developed a comprehensive set of tools to participate as a venture client in the co-development of pilot projects as a preliminary stage to establishing actual partnerships. This approach speeds up the implementation of new technologies while indirectly supporting the growth of the startups with which the Group collaborates.

2.2 ECO-DESIGN

One of the most challenging aspects of the design phase is determining and adopting adequate sustainability (i.e., eco-design) criteria to evaluate a product's impact at each stage of its life cycle, from conception and component sourcing to production, use, and end of life. Iveco Group has a dedicated Eco-Design working group tasked with identifying new design criteria to help the Group achieve the strategic sustainability **target** included in its Strategic Business Plan: to ensure that 100% of new products are developed using sustainability and/or recyclability design criteria by year-end 2026. This cross-functional team comprises members from different areas of expertise, such as Technology, Compliance, Procurement, After-Sales Services, and Sustainability. Throughout the year, the team continued to explore several life cycle assessment (LCA) approaches to define a consistent and standardised eco-design strategy and methodology across all product platforms. The goal is to ensure that the Group's portfolio features a substantial proportion of products with either an eco-label or an Environmental Product Declaration (EPD).

As the process of fine-tuning and incorporating eco-design criteria progresses, Iveco Group continues to work on other fronts to reduce the environmental impact (and total cost of ownership) of its products. These efforts include promoting the development of more eco-friendly products right from the design phase, aiming at:

- optimising fuel consumption and energy efficiency
- reducing CO₂ and other polluting emissions
- selecting components that:
 - have a lower environmental footprint
 - are easy to dismantle
 - can be repaired or remanufactured
 - can be recycled at product end-of-life
 - do not contain regulated substances
- enhancing efficiency during use
- ensuring longer intervals between maintenance cycles
- reducing noise emissions.

When designing any new product, the estimated **water usage** throughout its life cycle and the potential reduction in customer water use are not considered relevant, because the product's total water usage over its lifespan and the impact of product use on water quality are minimal in relation to overall consumption.

Although the Group does not always purchase **raw materials** directly (with the exception of steel used for direct processing), it constantly monitors their overall consumption. When designing components for new products (which is done in close collaboration with suppliers), precedence is given to the use of easily recyclable materials, especially recoverable metals such as aluminium and cast iron, thermoplastics, and paints with low solvent content. Iveco Group is committed to reducing or eliminating from its products and manufacturing operations those **regulated substances** that pose a potential risk to human health and the environment. To this end, the Group collects detailed information from the supply chain on the individual substances contained in both parts and whole goods. It is a challenging task, given that obtaining the necessary data requires the cooperation of the entire supply chain, which may be as many as ten layers deep. Efforts are also being made to eliminate restricted substances right from the design phase and to register products that fall within the scope of recycling laws.

Iveco Group uses life cycle assessments (LCAs) in response to the growing need to measure and reduce the environmental impacts of its products, and has performed LCAs on several of its vehicles and engines to date. Given the lack of an official regulatory framework, a dedicated cross-functional working group has been established to develop a formal, standardised LCA methodology based on data granularity and comparability criteria, so as to improve the quality of assessment results and define a more systematic and structured approach to product ecolabelling. The LCAs performed to date cover the vast majority of products from the Truck and Bus business units. Specifically, the LCA for the IVECO Daily covers approximately 67% of all Truck Business Unit volumes.

LCA Assessment and Other Certifications

Description of products	Type of certification
<ul style="list-style-type: none"> ▪ IVECO BUS E-WAY 12m ▪ HEULIEZ GX337 Electric ▪ IVECO BUS E-WAY 18m ▪ HEULIEZ GX437 Electric ▪ IVECO U-WAY CNG 12m 	<ul style="list-style-type: none"> ▪ ISO 14025:2006 (EPD) ▪ ISO 14025:2006 (EPD) ▪ ISO 14025:2006 (EPD) ▪ ISO 14025:2006 (EPD) ▪ ISO 14040:2006; ISO 14044:2021
<ul style="list-style-type: none"> ▪ FPT F1C diesel engine (light range) ▪ FPT F1C natural gas engine (light range) 	<ul style="list-style-type: none"> ▪ ISO 14067:2018 ▪ ISO 14067:2018
<ul style="list-style-type: none"> ▪ FPT Cursor 13 diesel engine (heavy range) 	<ul style="list-style-type: none"> ▪ ISO 14067:2018
<ul style="list-style-type: none"> ▪ FPT E37 Battery 	<ul style="list-style-type: none"> ▪ ISO 14040:2006; ISO 14044:2021; PEF
<ul style="list-style-type: none"> ▪ IVECO Daily diesel ▪ IVECO eDaily 	<ul style="list-style-type: none"> ▪ ISO 14040:2006; ISO 14044:2021 ▪ ISO 14040:2006; ISO 14044:2021
<ul style="list-style-type: none"> ▪ IVECO S-WAY XC13 engine 	<ul style="list-style-type: none"> ▪ ISO 14040:2006; ISO 14044:2021

2.2.1 Resource circularity

Life cycle thinking is one of Iveco Group's strategic sustainability priorities, driving the implementation of a circular product life cycle approach that ensures resources are used fully and for as long as possible. The main objectives in this area are:

- to design all new products in alignment with sustainability and recyclability guidelines⁽¹³⁴⁾, looking at materials, technologies, and reuse potential from the very first stages of product development in order to maximise product life cycles. Product life cycle assessments (LCAs) are performed to collect data on exact material composition and estimate the recyclability rates for each
- to collect broken or worn-out parts to identify which can be reused, repurposed or recycled, so as to offer customers a consistent range of remanufactured products while increasing waste recovery and reuse as well as water recycling at Group plants worldwide
- to increase the use of electricity from renewable sources.

Remanufacturing worn components (i.e., cores) reduces waste, promotes material reuse, and supports recycling. Additionally, by avoiding the extraction of new raw materials, it also reduces both energy use and greenhouse gas emissions. Remanufacturing cores is an industrial process that ensures the same operational performance standards as new, original equipment components, triggering a virtuous cycle of both savings in raw materials and reductions in materials going to landfill. It also ensures reliability and reduced vehicle downtime for customers at competitive prices. Indeed, remanufactured FPT engines and transmissions include a 36-month warranty, which is three times the warranty period of original parts.

Iveco Group manages the overall remanufacturing process, from collecting cores from dealerships to stocking remanufactured products and selling them to end customers. As a result, in addition to a full range of original spare parts to cover the entire life cycle of many of its products, the Group's portfolio also includes a broad selection of remanufactured components, offering like-new quality, extended warranties, and good value, since remanufactured parts save customers an average 30% on list price.

⁽¹³⁴⁾ In line with Directive 2005/64/EC of the European Parliament and of the European Council, in 2025, 85% of products sold met reusability and recyclability criteria.

Two strategic sustainability **targets** related to remanufacturing were incorporated into the Group's Strategic Business Plan: to ensure that 100% of recoverable cores from spare parts sold are returned to the Organisation by year-end 2030 and that 15% of net sales from spare parts are generated by remanufactured components by year-end 2026. In 2025, the net sales from remanufactured components were 7.3% at global level and 9.0% at European level.

End-of-Life Cycle

	2025	2024
Percentage ^(a) of parts reused or recycled (%)	41.2	31.4
Financial benefit from take-back programmes (€ million)	126.3	113.0

^(a) Number of spare parts returned by the Group brands' networks for reuse/recycling as a percentage of the total number of spare parts eligible for remanufacturing.

REPORT ON OPERATIONS

SELECTED FINANCIAL DATA

(€ million)	2025(*)	2024(*)	2023(*)	2022(**)	2021(***)
Net revenues	13,428	14,417	15,978	14,357	12,651
EBIT	538	729	866	466	295
Profit/(loss) before taxes	316	537	423	260	180
Profit/(loss)	234	489	268	159	76
Attributable to:					
Owners of the parent	234	486	248	147	52
Non-controlling interests	—	3	20	12	24
Basic earnings/(loss) per common share (€) ⁽¹⁾	0.88	1.82	0.92	0.54	0.19
Diluted earnings/(loss) per common share (€) ⁽¹⁾	0.88	1.79	0.91	0.54	0.19
Investments in tangible and intangible assets	775	914	961	777	563
of which: capitalised R&D costs	445	460	480	390	271
R&D expenditure ⁽²⁾	672	778	867	634	509
Total Assets	18,863	19,437	18,385	16,013	16,560
Total Equity	2,819	2,769	2,390	2,391	2,311
Equity attributable to owners of the parent	2,760	2,699	2,354	2,354	2,289

(*) 2025, 2024 and 2023 Income Statement data, investments, and R&D expenditure refer to Continuing Operations only (in 2025 and 2024 excluding the contribution of Defence business, classified as Discontinued Operations; in 2024 and 2023 excluding the contribution of Fire Fighting business, classified as Discontinued Operations together with the impact of the loss from the disposal of the Fire Fighting business recognised in 2024).

(**) Data as previously reported.

(***) Data as reported in the Report on Combined Financial Statements at 31 December 2021 issued on 24 April 2022.

(1) For the year 2021, basic and diluted earnings per share calculation is based on the number of Common Shares at the Effective date of the Demerger.

(2) Includes capitalised development costs and research and development (R&D) costs charged directly to the income statement.

RISK FACTORS

The following risks may affect Iveco Group business results and, individually or in the aggregate, could cause actual results to materially differ from past and projected future results. Although the risks are organised by headings, and each risk is discussed separately, many are interrelated. The following factors shall not be considered a complete list of the risks and uncertainties that may affect the Group. According to the Group's opinion, there are no material uncertainties (as defined in paragraph 25 of IAS 1 - *Presentation of Financial Statements*) about its ability to continue as a going concern. However, the occurrence of external disruptive events that would impact indistinctly the automotive industry and/or specifically Iveco Group and beyond the direct control of Iveco Group could jeopardise the ability of Iveco Group to operate in the market.

The present section describes risks that could have a significant impact on the economic results and financial position of Iveco Group. Major risks events that emerged during the risk assessment process are grouped in four main categories:

- a. Strategic risks;
- b. Operational risks;
- c. Legal & Compliance risks;
- d. Financial & Taxation risks.

Iveco Group's main risk factors identified for each of the above-mentioned risk categories are described below. The order in which they are listed does not imply ranking in terms of likelihood of occurrence or potential impact.

The below mentioned risk factors are not to be considered comprehensive of all risks identified and evaluated within the annual risk assessment process: business-as-usual risks which are considered adequately managed and controlled such that residual risk is considered minor, are not detailed in this report, even if monitored. Nevertheless, there can be no assurance that any mitigation action will be sufficient to successfully counter or mitigate potential risks.

Although the Group believes that the risks and uncertainties described below are material risks and uncertainties concerning the Group's business and industry, they are not the only risks and uncertainties relating to the Group. Other risks, events, facts or circumstances not presently known to the Group, or that the Group currently deems to be immaterial could, individually or cumulatively, alone or in combination with other events or circumstances, prove to be important and may have a significant negative impact on the Group's business, financial condition, results of operations and prospects.

STRATEGIC RISKS

Risk related to the evolution of geopolitical expectations

Operating globally exposes Iveco Group to risks from regulatory changes, trade restrictions, currency controls, conflicts and civil unrest. Intensified geopolitical tensions and accelerating geo-economic fragmentation through sanctions and tariffs may impact procurement and sourcing strategies, logistics, and sales, creating risks such as materials price volatility and supply chain disruptions. In 2026 geopolitical instability is expected to remain high, with continued regional conflicts, regulatory uncertainties and trade fragmentation. Cybersecurity threats and energy and raw material market volatility will require reinforced resilience measures and closer monitoring of regulatory developments. The Group mitigates these threats through institutional engagement, scenario-based risk assessments, emergency planning, and supply chain continuous monitoring and adaptation.

Risk related to global economic conditions

Iveco Group results of operations and financial position are and will continue to be influenced by macroeconomic factors – including the level of consumer and business confidence, changes in interest rates, the availability of credit, inflation and deflation, energy, commodities or other raw materials prices – which exist in the countries and regions in which Iveco Group operates. Such macroeconomic factors vary from time to time and their effect on operating results and financial position cannot be specifically and singularly assessed and/or isolated.

Economic conditions vary across regions and countries, and demand for products and services generally increases in those regions and countries experiencing economic growth and investment. Slower economic growth could have an adverse impact on business, results of operations and financial conditions. In a weaker economic environment, dealers and customers may reduce or delay plans to purchase Iveco Group products and services and may not be able to fulfil their obligation to the Group in a timely fashion or at all. In addition, suppliers may be impacted by economic pressures which may adversely affect their ability to fulfil their obligations, as well as the price or availability of supplies required. In addition, deterioration of key macroeconomic indicators (such as rising inflation and local currency devaluation) as well as a strengthening of governments' protectionist policies in some countries, could impact the Group's financial results and business operations particularly in those countries where macroeconomic conditions remain volatile. If there is continued deterioration in the global economy or the economies of key countries or regions, the demand for Iveco Group products and services may decrease and may materially and adversely affect results of operations, financial position and cash flow.

Iveco Group is committed to constantly and closely monitor political, social, economic, and market developments in the countries of interest, both through specialised internal resources and through providers of analyses. The Group periodically assesses these political, social and economic risks in the countries it operates in or intends to invest in, also through specific set of defined measures to deal with a potential demand reduction, and through a strong commitment in investigating and scouting potential alternatives for critical supplies based on risky countries, even if there can be no assurance these measures prove to be effective.

Competition risk, considering both traditional and incumbent players

Iveco Group operates in global and regional markets characterised by intense competition on product quality, innovation, pricing, fuel efficiency, reliability, safety, customer service, and financial solutions. Depending on geography and product segment, the Group competes with international, regional, and local manufacturers and distributors of commercial and specialty vehicles and powertrains. Competitive advantage is primarily driven by product performance, technological innovation, quality, distribution network, customer service, and pricing. Aggressive pricing strategies by competitors, unexpected delays in product development or manufacturing, quality issues, or failure to maintain competitive pricing could adversely affect the Group's business performance and financial position.

The ability to remain competitive over the long term depends on keeping pace with rapid technological evolution—particularly in areas such as emissions compliance, electrification, and connectivity. Despite Iveco Group's commitment to decarbonisation, some competitors leverage substantial resources to accelerate development of advanced technologies, achieve cost efficiencies, and scale production faster, thereby reinforcing their market position.

Failure to deliver innovative products that meet or exceed competitors' offerings in terms of price, quality, functionality, mobility services, electrification, and autonomy—or delays in launching strategic products—could result in reduced revenue and market share. Iveco Group continuously explores new opportunities in transport and logistics ecosystems, revises R&D priorities based on technological and commercial relevance, and evaluates partnerships to accelerate innovation. To mitigate competitive pressure from established players and new entrants—often more agile and price-aggressive—the Group monitors demand elasticity and competitor actions, while implementing cost optimisation and innovation initiatives. Its extensive distribution network remains a key differentiator; however, inability to adapt effectively to evolving market conditions could negatively impact business results and strategic positioning.

Risks related to investments and partnerships

Cooperation with partners is of key importance to Iveco Group, both in the transformation towards electric mobility and comprehensive digitisation, and in connection with mobility solutions. Especially with new technologies, these solutions of cooperation may help to leverage synergies and improve cost structures in order to respond successfully to the competitive situation in the automotive industry.

The potential unreliability of key business partners in fulfilling their obligations and promptly delivering the expected volumes, the potential deterioration in relations with such key partners as well as the challenges of selecting new business partners could impact the ability to promptly develop innovative products and meet strategic objectives.

With a view to mitigate such risks, Iveco Group is committed to maintaining a positive trust and long-term relations with strategic partners, sharing risks as well as opportunities.

The challenges and uncertainties in selecting trustworthy business partners, their potential unreliability in fulfilling their obligations and promptly delivering the volumes expected, as well as the potential for deterioration in relations with key partners may impact Iveco Group's ability to develop innovative products and meet its objectives.

Transition to zero emission products related risks

Evolving environmental and climate-related regulations—including those governing engine and vehicle emissions, safety standards, fuel requirements, restricted substances, and greenhouse gas (GHG) emissions—require substantial investments in product design and compliance. Emissions rules are particularly stringent in the European Union, where the Group conducts most of its business. EU fleet targets for 2030, and 2035 mandate significant reductions in vehicle emissions achievable only through advanced technologies such as battery-electric systems, demanding large-scale capital and R&D investments. Failure to comply could result in severe penalties, reputational damage, and restrictions on market access in highly regulated regions.

Political and regulatory uncertainties and global economic vulnerabilities may also dampen consumption and investment, while the higher cost of low-emission vehicles could slow adoption and negatively impact demand. Additionally, competitors with greater resources may adapt more quickly and at lower cost, intensifying competitive pressure. To comply with current and future environmental requirements, Iveco Group must continue to allocate capital and R&D expenditure to upgrade products and manufacturing facilities, while reinforcing long-term governance and strategic focus to safeguard competitiveness.

OPERATIONAL RISKS

Risk related to tender management

Iveco Group delivers complex, technologically advanced, and sustainability-oriented products, often under long-term contracts awarded through public tenders with strict requirements and delivery deadlines. Unexpected cost increases—particularly where price renegotiation is not permitted—can significantly erode margins. Moreover, delay in complying with evolving ESG standards, including environmental, social, and governance requirements, may limit the Group's ability to qualify for tenders, especially in jurisdictions with stringent sustainability regulations, while delays in meeting contractual delivery timelines may result in financial penalties, reputational damage, and customer dissatisfaction, undermining long-term relationships and competitiveness. To mitigate these risks, Iveco Group continually monitors evolving regulations to anticipate emerging sustainability requirements and ensure full compliance. At the same time, reinforcing operational planning and strengthening supply chain resilience remain essential to securing timely deliveries and protecting both profitability and market access.

Risk related to the supply of utilities, raw materials, parts and components

Iveco Group relies on a complex supplier network for raw materials and components, also sourced from single suppliers, limiting flexibility in case of disruption. This risk is amplified by external factors such as geopolitical tensions, regulatory changes, and financial instability among suppliers, as well as global logistics challenges including freight capacity constraints and port congestion. These conditions can lead to delays in material deliveries, production bottlenecks, and increased order backlogs, while also driving up transportation and product costs. In addition, persistent volatility in raw material and utility prices—driven by inflationary pressures, economic uncertainty, and tariff fluctuations—places further strain on margins and financial planning. Such disruptions may result in missed delivery commitments, contractual penalties, reputational damage, and reduced competitiveness.

To mitigate these risks, Iveco Group conducts frequent supplier risk reviews, implements contingency plans including, but not limited to, reducing single sourcing in high risk suppliers/categories, considers forward fixing activities or hedging measures when cost-effective, alongside ongoing efforts to diversify the supplier base and enhance supply chain visibility.

Information Technology Security and AI-Driven Risks, including Cybercrimes

Iveco Group relies on complex IT systems and networks — some operated internally, others managed by third parties — to support core business processes, financial reporting, data management, and connectivity services. The Group stores sensitive information, including intellectual property and personal data, making the secure and continuous operation of these systems essential.

These systems can be subjected to multiple problems from several sources, which could potentially disrupt operations and compromise security, including hardware or software failures, human error, interruptions of data centres or cloud services, cyberattacks, and malware. Geopolitical instability is also contributing to a heightened global threat landscape.

In addition to traditional IT risks, the rapid adoption of Artificial Intelligence introduces further challenges. Unauthorized or uncontrolled use of AI tools ("shadow AI"), AI assisted misinformation, and weaknesses in model governance and data quality may lead to operational disruptions, data leaks, legal violations, or reputational damage. Evolving regulatory frameworks further increase compliance requirements and the need for robust oversight. It is crucial to implement robust measures to mitigate these risks and ensure the integrity of our infrastructure.

For additional information on Information Security Risks refer to the section "Risk Management and Internal Control System" of this Annual Report.

Risks related to people and culture

The Group's ability to compete effectively and execute its growth strategy depends on attracting, developing and retaining qualified personnel across key functions and markets. Talent shortages, recruitment challenges or difficulties in integrating and retaining skilled resources may constrain the Group's operational effectiveness.

To mitigate these risks the Group is investing in reskilling initiatives and competitive remuneration frameworks to attract and retain key capabilities. These efforts are reinforced by a strong commitment to fostering a safe, diverse, inclusive and respectful work environment, as demonstrated by the achievement of EDGE certification, which validates the Group's progress on gender equity, inclusion and fair employment practices.

Furthermore, the Group's potential risk of work interruptions or stoppages could impact production volumes, with potential material adverse effects on the Group's results of operations and financial condition. The ability to efficiently deploy personnel or implement permanent or temporary redundancy measures in compliance with laws and/or collective labour agreements might require clearance of public Institutions and/or the agreement of Unions where such laws and agreements so require. To reduce such potential risk, the Group puts in place continuous communication with all internal and external stakeholders, public Institutions and Unions to monitor the situation and undertakes negotiation for the renewal of collective agreement in many Countries.

Risks related to product distribution methods

Iveco Group distributes most of its vehicles through independent dealers, a model that inherently carries certain risks. Dealers may make sub-optimal inventory decisions, face financial distress, or require additional support from the Group, potentially increasing operating costs.

Rising cost pressures and structural challenges for smaller dealers may also reduce the size of the dealer network, limiting market coverage and weakening the Group's competitive position. Furthermore, any improper use of product warranties by dealers could generate additional expenses for the Group.

To mitigate these risks, Iveco Group monitors dealer performance, stock levels and financial soundness, and conducts targeted audits to prevent warranty misuse. These actions help safeguard the Group's sales volumes, operating performance and overall financial condition.

Other operational risks, including process design and production

Production risks encompass all factors that may affect planning and capacity utilisation, including inaccurate demand forecasting that can lead to under- or over-utilisation of production resources. Such imbalances may result in higher operating costs, delivery delays, and quality issues caused by excessive workload stress. Additional risks arise from unforeseen disruptions at manufacturing facilities, which can stem from unexpected events such as equipment failures, supply shortages, or external events impacting operations.

The success of Iveco Group products depends on maintaining and growing market share in existing markets while expanding into new ones through innovative, high-quality offerings that ensure profitability. Achieving these objectives requires the ability to design and manufacture products that meet stringent customer quality standards, foster collaboration and synergies between engineering and manufacturing, and accelerate the development of connected, digital, and electrified solutions.

The Group already carried out investments in automation, electrification, production capacity optimization and enhancement of operational flexibility also through people training and upskill. To guarantee consistent product quality, Iveco Group has implemented continuous monitoring of technical Key Performance Indicators (KPIs) complemented by additional quality checks on rework activities.

Risks related to health, safety, and the environment

Despite the Group's adverse risk appetite toward Health, Safety & Environment risks, the possibility of incidents causing harm to people or the environment cannot be fully eliminated, particularly given that many operational risks stem from human behaviour.

While Iveco Group (i) maintains up to date technical competencies, (ii) has implemented internal procedures and controls to support safe and compliant operations, and (iii) performs regular maintenance to ensure asset quality and reliability, incidents may still occur, potentially resulting in:

- Serious injuries to employees, including long term disabilities or fatalities
- Environmental pollution caused by improper execution of operational activities

To reduce exposure to these risks, Iveco Group has established a centralised Health, Safety & Environment organisation and implemented an Occupational Health, Safety & Environment Management System, certified in accordance with ISO 45001. Reporting processes are continuously updated and monitored, and targeted training is regularly provided to personnel; communication campaigns are deployed in order to foster people awareness and involvement.

Climate-related risks

An in-depth analysis of climate related risks has been carried out and subsequently reported to management. As a result, Iveco Group's exposure to climate change has been classified into two main categories:

- Physical risks, due to more frequent or severe weather events
- Transition risks, linked to the global shift toward lower emission economy

Although many Group facilities are located in areas without particularly high baseline exposure, extreme natural events — exacerbated by ongoing climate change — may still generate significant damage. The most material potential impacts for Iveco Group's sites relate to river flooding and hailstorms, which could damage production sites or critical assets and/or disrupt manufacturing activities.

To limit this exposure, Iveco Group has already implemented a range of mitigation measures, including higher insurance coverage, installation of additional protective equipment for high risk scenarios, as well as the training of dedicated teams.

In addition, the Group is exposed to certain transition risks, primarily driven by evolving regulations and shifting market dynamics, which will require capital expenditures and increased investment in research and development.

For further details, refer to section "Sustainability Statement", paragraph "3.2 Managing climate related risks and opportunities".

LEGAL & COMPLIANCE RISKS

Risk related to compliance with product, process and supply chain requirements

Given stakeholders' expectations, the increasingly demanding regulatory requirements (in terms of complexity and/or country-specific provisions), and the intricacy of managing product-specific requirements along the entire value chain, Iveco Group must devote a significant level of effort to avoid the risk of non-compliance with product, process and supply chain regulations.

Failure to comply with such regulations or to meet stakeholders' expectations with regards to compliance and product sustainability could impact the Group's reputation or could impede the production, distribution, marketing and sale of the group's products, which could materially adversely impact the Group's business, financial condition or results of operations.

Besides continuous monitoring of regulations (including gap analysis on the actions to be implemented to ensure compliance with any upcoming directive and on-site audits at Group production sites) and the presence of a whistleblowing channel open to both employees and third parties, Iveco Group confirmed the participation in the Open-ES platform, to encourage suppliers' awareness about ESG issues (including Human Rights), supporting suppliers' qualification and monitoring and including sustainability scores as a criterion for suppliers' selection. Furthermore, in order to mitigate and prevent to the extent possible risk of Human Rights violation by Vendors, Iveco Group provides for mandatory signature of the Supplier Code of Conduct by each supplier.

Risks related to legal proceedings involving the Group

Iveco Group is party to judicial, tax and administrative legal proceedings. For a summary of the most significant cases, see Note 27 "Commitments and contingencies" to the Consolidated Financial Statements at 31 December 2025. Given the intrinsic and ineliminable risk that characterises legal proceedings, while the Group regularly conducts the necessary assessments, including on the basis of applicable accounting standards, it is not possible to exclude the possibility that Iveco Group might in future face payment obligations for damages that are not covered by appropriate provisions, in whole or in part, which either are uninsured or exceed the maximum sum available under applicable insurance policies. Furthermore, in relation to legal proceedings brought by Iveco Group or in which Iveco Group is a defendant, Iveco Group may have to bear further costs associated with potentially prolonged court proceedings or out of court negotiations and settlements.

To mitigate these risks, Iveco Group implements actions aiming at constantly strengthening its internal control system and also avails itself of in-house professionals and external consultants who are committed to support Iveco Group in its risk anticipation and mitigation efforts, and represent the Group in legal proceedings.

Risk related to non-compliance with laws and regulations or with compliance policies

Although the Group aims to be fully compliant with applicable laws and regulations, these laws and regulations may change over time and/or be subject to different interpretations and the Group's compliance controls, policies, and procedures in place may not in every instance protect the Group from acts committed by its employees, agents, contractors, or collaborators, that violate the laws or regulations of the jurisdictions in which Iveco Group operates, including in employment matters, corruption practices or breaching environmental, competition and other applicable laws and regulations. Such misconduct could expose the Group to investigations, and monetary and injunctive penalties. Furthermore, Iveco Group operates in some countries characterised by a high level of fraud and corruption. In the context of risks related to possible fraud or wrongdoing by employees or third parties, Iveco Group is also exposed to risks related to the protection of information and know-how. The Group relies on sensitive information, data and know-how, which are processed and contained in documents and/or electronic format. The unauthorised use and/or disclosure of such information, data and know-how by employees or third parties may amount to a breach of applicable laws and regulations, and might cause damage to the Group's reputation. Finally, non-compliance issues or the incorrect application of the Regulation (EU) 2016/679 (General Data Protection Regulation) (GDPR) or other data protection laws may occur within the Group which in turn could result in the application of sanctions to the detriment of Iveco Group. Actual or alleged violations of any of these laws and regulations could adversely impact the operating results and financial condition of the Group or could damage its reputation, as well as its ability to conduct business.

Among the various initiatives that Iveco Group has put in place to mitigate these risks, a "Group Integrated Compliance Program" has been developed, that provides, among other, for a) compliance guidelines for the benefit of all the Group's affiliates, b) for an update of the "Organisational Models" of affiliates in scope along the provisions of the Italian Legislative Decree 231/2001 and c) for a regular review of the fundamental Group policies. Moreover, a structured framework is in place, in line with applicable legislation and with the legal systems of the countries in which Iveco Group operates. Iveco Group provides employees periodic trainings to increase awareness about the importance of compliance topics; it has appointed a manager in charge, among other, of monitoring prevention and education on Anti-corruption, a dedicated compliance officer in some countries (e.g. France) and a "lead" professional as a point of reference to contribute to awareness and prevention of competition law issues. A whistleblowing channel open to both employees and third parties is in place and the Compliance Department includes a dedicated function (Investigation Governance) that manages whistleblowing reports and analysis of facts relating to misconduct. Notwithstanding all the above, it is not possible to exclude the possible occurrence of fraudulent or unlawful conducts.

FINANCIAL AND TAXATION RISKS

Financial Market Risks: FX Volatility, Liquidity Constraints and Funding Cost Increases

Iveco Group is exposed to several market-related and financial risks that may affect its performance, liquidity position and ability to sustain strategic investments. The Group operates in a cyclical industry characterised by high market volatility, which may create planning uncertainty. This external unpredictability can limit visibility and influence cash-generation patterns, potentially reducing the Group's flexibility to pursue strategic initiatives or address unforeseen financial requirements.

Fluctuations in foreign exchange rates also represent a risk, as unexpected movements can affect margins and cash flows. While all on-book positions (payables and receivables) are fully hedged, thereby reducing the exposure to zero, future cash flows volatility cannot be completely mitigated. The Group conducts monthly reviews of its rolling 12-month forecast and adjusts its hedging strategy accordingly.

Furthermore, Iveco Group may face an increase in its cost of capital driven by tightening financial conditions or a higher perception of funding risk from market participants. Such developments could reduce access to external financing or require the Group to secure funds at higher spreads.

Although the Group employs robust hedging strategies, active liquidity planning and continuous financial monitoring, these measures cannot fully eliminate market-related uncertainties. Adverse currency movements, deteriorating customer financial conditions, delays in payments or unfavourable funding dynamics may still negatively impact the Group's margins, cash flow generation, working capital and overall financial position.

For further additional details on Iveco Group's financial risks see Note 18 "Derivative assets and derivative liabilities" and Note 30 "Information on financial risks" to the Consolidated Financial Statements at 31 December 2025.

Risks related to difficulties in obtaining financing or refinancing existing debt

Iveco Group's performance depends on, among other things, its ability to finance debt repayment obligations and planned investments from operating cash flow, available liquidity, the renewal or refinancing of existing bank loans and/or facilities and access to bank lending or other sources of financing such as asset-backed securitisation transactions. In addition, the Group's investment strategies may require funds in excess of those generated by the Group's operations. Consequently, Iveco Group could find itself in the position of having to seek additional financing and/or refinance existing debt, under unfavourable market conditions with limited funding availability and a general increase in funding costs. Instability in global capital markets, including market disruptions, limited liquidity and interest rate and exchange rate volatility, could affect the Group's access to sources of financing or increase the cost of the Group's short and medium and long-term financing. Any difficulty in obtaining financing on acceptable terms or at all could have a material adverse effect on the Group's business, results of operations and financial position. In order to mitigate its exposure to funding risk, Iveco Group monitors on periodical basis inventory and funding evolution.

Risk related to the Group's leverage and debt service obligations

The Group relies in part on external debt financing and is therefore subject to potential risks to its operations and financial results, which may include (i) the inability to secure additional funds for capital expenditures, debt service requirements or general corporate purposes; (ii) the inability to invest in the development or introduction of new products or new business opportunities; and (iii) the Group being unable to adjust rapidly to changing market conditions.

These risks may be exacerbated by volatility in the financial markets, which may be caused by strains on the finances and creditworthiness of several governments and financial institutions and concerns about global economic growth, particularly in emerging markets. See also "Global economic conditions may impact the Group's businesses" above.

See "Risks related to exchange rate fluctuations, interest rate changes and other market risks" above.

Risks related to restrictive covenants in the Group's debt agreements

Iveco Group has established its own centralised treasury. In order to fund its own treasury facilities, from time to time it enters into agreements governing the Group's financing instruments, including bank debt. According to standard market practice, the agreements governing debt instruments, depending on the rating status of the debtor and market conditions at the time of the execution of such financing instruments, could contain covenants restricting the Group's ability to, among other things: (i) incur additional indebtedness by certain subsidiaries; (ii) make certain investments; (iii) enter into certain types of transactions with affiliates; (iv) sell or acquire certain assets or merge with or into other companies; and/or (v) pledge assets as security for other obligations. A breach of one or more of the covenants could result in adverse consequences that could negatively impact the Group's business, results of operations, and financial position. These adverse consequences may include the triggering of cross-default clauses whereby other outstanding debt under other credit facilities of Iveco Group existing at the time of such cross-acceleration, ultimately resulting in an obligation to redeem such indebtedness, termination of existing unused commitments by the Group's lenders, refusal by the Group's lenders to extend further credit under one or more of the facilities or to enter into new facilities or the lowering or modification of the Issuer's credit ratings or those of one or more of its subsidiaries.

Risk related to Financial Services activities

As Financial Services provides financing for a significant portion of Iveco Group's sales worldwide, the Group's operations and financial results could be materially impacted should negative economic conditions affect the financial services industry. Negative macroeconomic trends can adversely influence the environment in which Financial Services operates causing credit losses exceeding expectations, which could adversely affect its financial condition and results of operations. Furthermore, its ability to access funding at cost-effective rates is essential to support financing activities, meet future cash-flow requirements and sustain diversified funding operations.

Some Financial Services operations are carried out through partnerships or joint arrangements; therefore, any deterioration in the reliability of such partners, misalignment of interests, or early termination of the partnership could disrupt financing activities, increase operational or financial risks, and negatively affect the Group's ability to support its commercial offering.

Iveco Group's operations and financial results could also be materially affected by new regulations or changes to existing regulations impacting the financial services industry. In addition, increases in delinquencies or repossessions could negatively influence the performance of Financial Services

Risk of Additional Tax Exposure or Increased Tax Expense

Iveco Group is subject to income taxes in many jurisdictions. The Group's tax liabilities are dependent upon the location of earnings among these different jurisdictions. Iveco Group's future results of operations could be adversely affected by changes in the consolidated effective tax rate as a result of a change in the mix of earnings in countries with differing statutory tax rates, changes in the Group's overall profitability, changes in tax legislation and rates, changes in generally accepted accounting principles and changes in the valuation of deferred tax assets and liabilities. If the Group's effective tax rate were to increase, or if the ultimate determination of Iveco Group's taxes owed is for an amount in excess of amounts previously accrued or paid, Iveco Group's operating results, cash flows, and financial position could be adversely affected. For further information, see Note 9 "Income tax (expense) benefit" to the Consolidated Financial Statements at 31 December 2025.

As Iveco Group will periodically be subject to tax audits aimed at assessing the Group's compliance with direct and indirect taxes, the tax authorities may not agree with the Group's interpretations of, or the positions that the Group has taken or intends to take on, tax laws applicable to Iveco Group's ordinary activities and extraordinary transactions. In case of challenges by the tax authorities to the Group's interpretations, Iveco Group could face prolonged tax proceedings that could result in the payment of additional tax, interest and penalties, which could have a material adverse effect on the Group's operating results, business and financial condition.

In order to reduce its exposure to taxation risks, Iveco Group put in place several mitigation actions aimed at preventing risk or reducing its impact in case of occurrence, such as the implementation of a Tax Control Framework (integrated within the Group's Internal Control System), the adherence to the Italian Cooperative Compliance Regime, and the use of other available regulatory tools for preventive dialogue with Tax Authorities (such as Advance Pricing Agreements on transfer pricing matter).

BUSINESS OVERVIEW

GENERAL

Iveco Group is the holding company of a leading automotive group engaged in the design, production, marketing, sale, servicing, and financing of trucks, commercial vehicles, buses, and specialty vehicles for defense and other uses, as well as combustion engines, alternative propulsion systems, transmissions and axles for those vehicles and engines and alternative propulsion systems for agricultural and construction equipment, marine and power generation applications. The Group has manufacturing, commercial and financial services companies located in 33 countries and a commercial presence in approximately 155 countries.

Iveco Group has the following operating segments:

- **Truck** designs, manufactures and distributes a full range of light, medium, and heavy vehicles for the transportation and distribution of goods under the IVECO brand;
- **Bus** designs, manufactures and distributes minibuses, city-buses, intercity buses and coaches under the IVECO BUS and HEULIEZ brands;
- **Powertrain** designs, manufactures and distributes, under the FPT Industrial brand, a range of combustion engines, alternative propulsion systems, transmission systems and axles for on- and off-road applications, as well as for marine and power generation; and
- **Financial Services** offers a range of financial products and services to dealers and customers. Financial Services provides and administers retail financing to customers for the purchase or lease of new and used vehicles sold by brand dealers and distributors of the Group or directly by subsidiaries of the Group. In addition, Financial Services provides wholesale financing to brand dealers and distributors of the Group. Wholesale financing consists primarily of floor plan financing and allows the dealers to purchase and maintain a representative inventory of products. Financial Services also provides discounting of non-dealer trade receivables from legal entities of the Group. Additionally, Financial Services grants support to CNH Group (CNH), by providing financial services for its European brands, dealers and customers under a vendor and service agreement, receiving a fee for the services rendered.

Furthermore, at 31 December 2025, Iveco Group still controls Defence business which designs, manufactures and distributes vehicles for civil defense and civil protection under the IDV brand, and vocational heavy-duty trucks for heavy haulage and off-road missions under the ASTRA brand. Defence business is classified as Discontinued Operations in this Annual Report, as described in the section "Result of Operations". Refer to the Notes to the Consolidated Financial Statements, paragraph "Discontinued Operations - Defence Business", for additional details.

Finally, on 3 January 2025, it was completed the transfer to Mutares SE & Co. KGaA of ownership of Magirus GmbH and its affiliates performing Fire Fighting business. In 2024, the Fire Fighting business was classified as Discontinued Operations. Refer to the Notes to the Consolidated Financial Statements, paragraph "Discontinued Operations – Fire Fighting Business", for additional details.

Unless otherwise stated, 2025 and 2024 financial data shown in the following refer to Continuing Operations, only.

Net revenues by segment in the years ended 31 December 2025 and 2024 were as follows:

<i>(€ million)</i>	2025	2024
Truck	8,873	9,981
Bus	2,948	2,561
Powertrain	3,330	3,546
Eliminations and Other	(2,022)	(2,024)
Total of Industrial Activities	13,129	14,064
Financial Services	436	558
Eliminations and Other	(137)	(205)
Total	13,428	14,417

Net revenues by region in the years ended 31 December 2025 and 2024 were as follows:

(€ million)	2025	2024
Europe	10,090	10,923
South America	1,620	1,613
North America	121	156
Rest of World	1,597	1,725
Total	13,428	14,417

INDUSTRY OVERVIEW

Trucks

The world truck market is generally divided into two segments: Light Commercial Vehicles (LCV) (gross vehicle weight (GVW) 3.5-7.49 metric tons), and Medium and Heavy (M&H) (GVW above 7.5 metric tons). The M&H segment is characterised by a higher level of engineering specialization due to the technologies and production systems utilised, while the LCV segment has many engineering and design characteristics in common with the automobile industry. In addition, operators of M&H trucks often require vehicles with a higher degree of customization than the more standardized products that serve the LCV market. Customers generally purchase heavy trucks for three primary uses: long distance haulage, construction haulage, and/or distribution.

The regional variation in demand for trucks and commercial vehicles is influenced by differing economic conditions, levels of infrastructure development, and geographic region, all of which lead to differing transport requirements.

M&H truck demand tends to be closely aligned with the general economic cycle and the capital investment cycle including the general level of interest rates and, in certain countries, governmental subsidy programs, particularly in more developed markets such as Europe, North America and Japan, as economic growth provides increased demand for haulage services and an incentive for transporters to invest in more efficient, less polluting, higher capacity vehicles and renew vehicle fleets. The product life cycle for M&H trucks typically covers a seven to ten-year period.

Although economic cycles have a significant influence on demand for M&H trucks in emerging economies, the processes of industrialization and infrastructure development have generally driven long-term growth trends in these countries. As a country's economy becomes more industrialized and its infrastructure develops, transport needs tend to grow in response to increases in production and consumption. Developing economies, however, tend to display volatility in short-term demand resulting from government intervention, changes in the availability of financial resources and protectionist trade policies. In developing markets, demand for M&H trucks increases when it becomes more cost-effective to transport heavier loads, especially as the infrastructure, primarily roads and bridges, becomes capable of supporting heavier trucks. At the same time, the need to transport goods tends to increase in these markets, resulting in increased demand for LCV.

Industry forecasts indicate that transportation of goods by road, currently the predominant mode of transport, will remain so for the foreseeable future. Furthermore, the Group also offers personalised aftersales customer assistance programs that provide a wide range of modular and flexible maintenance and repair contracts, as well as warranty extension services, to meet a variety of customers' needs and to support the vehicle's value over time: demand for those services, as well as for parts, is a function of the number of vehicles in use. Although demand for new commercial vehicles tends to decrease during periods of economic stagnation or recession, the demand for those services is historically less volatile than the new vehicle market and, therefore, helps limit the impact of declines in new vehicle sales on the operating results.

Commercial vehicles markets are subject to intense competition based on initial sales price, cost and performance of vehicles over their life cycle (i.e., purchase price, operating and maintenance costs and residual value of the vehicle at the end of its useful life), services and service-related products and the availability of financing options. High reliability and low variable costs contribute to customer profitability over the life of the vehicle and are usually important factors in an operator's purchase decision. Additional competitive factors include the manufacturer's ability to address customer transport requirements, driver safety, comfort, and brand loyalty through vehicle design.

Demand for trucks varies seasonally by region and by product class. In Europe, the peak retail demand occurs in the second and fourth quarters due to key fleet customer demands and customer budgetary cycles. In South America, demand is relatively stable throughout the year except for increased demand for heavy trucks in the first and fourth quarters from customers who transport foodstuffs. In Rest of World, sales tend to be higher in the second and fourth quarters due to local holiday periods.

The commercial vehicle industry is undergoing a significant energy transition, driven by technological advancements, regulatory frameworks, and growing market demand for sustainable transport solutions. Alternative and renewable fuels such as compressed natural gas (CNG), liquefied natural gas (LNG), hydrogen, and full electric vehicles are gaining momentum as viable solutions to reduce emissions and improve energy efficiency. The Group is actively investing in these technologies, supporting the industry's shift towards a more sustainable and decarbonized future.

The car industry is leading autonomous vehicle development, but commercial vehicles are also making advances in platooning and autonomous technologies. The Group expects this development to intensify. The Group believes that the growing automation in transportation and infrastructure solutions through the use of Level 2+ autonomous vehicles will also allow the industry to provide greater safety, emission reductions, fuel savings, and logistics efficiency.

Buses

The global bus business is organised by mission, from city and intercity transport to tourism purposes, with a capacity ranging from 10 to 150 seated/standing passengers. IVECO BUS (previously Iveco Irisbus) and HEULIEZ target markets include urban and intercity buses. Operators in this industry include three types of manufacturers: those specialised in providing chassis to bodybuilders, those that build bodies on chassis produced by third parties, and those, like IVECO BUS, that produce the entire vehicle.

The primary customers of the Intercity bus segment are tour- and intercity bus service operators, while the principal customers of the urban bus segment are the transport authorities in urban areas.

Deregulation and privatization of transport services in many markets have favoured concentration towards large private companies operating in one country, in more than one neighbouring country, or at an international level. Demand has increased for highly standardized, high-use products for large fleets, with financing and maintenance agreements or kilometric pricing. Deregulation and privatization have also increased competition between large transport service companies, raising the level of vehicle use and increasing the choice of brands for operators in the market.

Sales for urban and intercity buses are generally higher in the second half of the year, due to public entities budgeting processes, tender rules, and bus production lead-time.

Powertrain

The dynamics of the industrial powertrain business vary across the different market segments in which the various propulsion systems are used. For vehicle and equipment applications, product development is driven by regulatory requirements (i.e., legislation on pollutant emissions and, increasingly, CO₂ emissions), as well as the need to reduce total operating costs: customers are seeking more efficient propulsion systems that enable lower total cost of ownership and higher productivity.

For on-road applications in developed markets, where economy and infrastructure drive demand for local and haulage transportation, demand for engines is driven by general economic conditions, capital investment, industrialization, and infrastructure developments.

In the bus market, engine demand is increasingly influenced by the environmental policies of governments and local authorities (i.e., requirements for natural gas, hybrid, and electric solutions).

Demand for off-road applications in the agricultural industry is influenced by many factors, including the price of agricultural commodities and the relative level of new and used inventories, the profitability of agricultural enterprises, net farm income, the demand for food products, agricultural policies, as well as climatic conditions. At the same time, the construction equipment business is driven by general economic factors and the level of public investment in infrastructure, which affects the need for replacement of old equipment and investment in more innovative solutions to boost productivity.

Increasingly stringent emission regulations in Europe, the U.S. and Asia represent an opportunity for Powertrain to gain a competitive advantage through technological solutions developed for engines and after-treatment systems (such as High Efficiency SCR technology). Alternative fuels represent a viable alternative to diesel for transport vehicles, as they are more environment-friendly and offer better fuel economy than diesel while performing comparably to diesel engines (e.g. LNG for buses and commercial vehicles). Increasing demand for alternative propulsion systems (such as electrified powertrain or fuel cell) is expected to continue, as related technologies are growing quickly and will offer business opportunities in the industrial sector. The increasing trend among mid-sized Original Equipment Manufacturers (OEMs) to outsource engine development, due to the significant research and development expenditures required to meet the new emission requirements, presents an opportunity for Powertrain to increase sales to third party customers.

The Company believes that FPT Industrial provides the Group, as a whole, with strategic independence in a key area where competition is particularly intense and further challenges, driven by increasingly stringent regulations, are expected.

The electrification demand of industrial applications follows passenger cars trends and growth. After a first generation of industrial product designed to easily replace the traditional combustion engines, key-players are moving on a second generation of products, designed to increase performance, efficiency and sustainability standards.

FPT Industrial is committed to continuous innovation, developing also on electrification side cutting-edge products, also thanks to the continuous scouting in the open innovation emerging technologies.

COMPETITION

The industries in which the Group operates are highly competitive. The Group believes that it has many competitive strengths that will enable it to improve its position in markets where it is already well established while it directs additional resources to markets and products with high growth potential.

For Truck and Bus vehicles, the Group competes with: (i) large global full-line equipment manufacturers with a presence in every market and a broad range of products that cover most customer needs, (ii) manufacturers who are product specialists focused on particular industry segments on either a global or regional basis, (iii) regional full-line manufacturers, some of which are expanding worldwide to build a global presence, (iv) new incumbents and low-cost manufacturers in particularly in Eastern Europe and China. For Powertrain, the Group competes with (i) pure non-captive players (i.e., powertrain manufacturers selling their products to third parties) and (ii) OEMs producing powertrains by themselves.

The Group's competitive strengths include well-recognised brands, a full range of competitive products and features, a strong global presence, and distribution and customer service network. There are multiple factors that influence a buyer's choice of industrial equipment. These factors include the strength and quality of the distribution network, brand loyalty, product features, quality and performance, availability of a full product range, pricing, technological innovations, product availability, financing terms, parts and warranty programs, resale value and customer service and satisfaction. The ability to meet or exceed applicable engine emissions standards as they take effect is also a key competitive factor, particularly in those markets where such standards are the subject of frequent legislative or regulatory scrutiny and change, such as Europe and North America. The Group continually seeks to improve in each of these areas but focuses primarily on providing high-quality and high-value products and supporting those products through the Group's dealer networks. Customers' perceptions of product value in terms of productivity, reliability, resale value and dealer support are formed over many years. Buyers tend to favour brands based on experience with the product and the dealer.

In 2025 the Group has undertaken a comprehensive journey to reposition the Brand as a "Premium Partner-Centered Brand" focusing on Customer Experience and Service, from Streamlining commercial offer and redesigning Customer journey touchpoints to maximizing uptime service and parts availability across the network and simplifying access to IVECO's solutions.

The efficiency of the Group's manufacturing, logistic and scheduling systems are dependent on forecasts of industry volumes and the Group's anticipated share of industry sales, which is predicated on the Group's ability to compete successfully with others in the marketplace. The Group competes based on product performance, customer service, quality, innovation and price. The environment remains competitive from a pricing standpoint, and actions taken to maintain the Group's competitive position in the current challenging economic environment could result in lower than anticipated price realization. The ability of the Group supply chain and manufacturing system to timely deliver finished goods is also critical to meeting customer expectations. Failure to do so might imply losses of market share and competitiveness.

The Group's principal competitors in the Truck market are Daimler Truck, the Traton Group, the Stellantis Group, Paccar Inc. and the Volvo Group.

The Group's principal competitors in the Bus market are Daimler Truck, the Traton Group and the Volvo Group.

The principal competitors of Powertrain include Cummins Inc., Daimler Group, Deere & Company, Deutz AG, Traton Group, Volvo Group, Yanmar Co., Ltd, Caterpillar/Perkins and Weichai Power Co. Ltd.

PRODUCTS

Trucks (IVECO)

Under the IVECO brand, the Group produces a range of light, medium, and heavy trucks and commercial vehicles for both on-road and off-road use, with approximately 3,700 different models available. The Group's key products include the Daily, a vehicle that covers the 3.5 – 7.5 ton vehicle weight range, the Eurocargo, a vehicle that covers the 7.5 – 19 ton range, and the Way Range, the heavy product offers above 18 ton that was completely renewed starting from 2019. The heavy vehicles portfolio includes the S-Way (for long haulage and distribution), the X-Way (dedicated to construction logistics and municipalities), and the T-Way for off-road applications. The product offering is complemented by a series of aftersales and used vehicle assistance services.

Light vehicles include on-road vans and chassis cabs used for short and medium distance transportation and distribution of goods, and off-road trucks for use in quarries and other work sites. The Group has an estimated 30.0% (was 30.4% in 2024) market share in Europe (w/o UK & Ireland) in professional heavy cab-chassis (in 3.5 - 7.49 ton GVW). The Group also offers shuttle vehicles used by public transportation authorities, tourist operators, hotels and sports clubs and campers for recreational travel.

The M&H vehicle product lines include On-road articulated and rigid trucks designed for medium and long-distance hauling and distribution and Off-road trucks that are designed to operate in any condition and terrain and offered in a wide variety of GVW and axle configurations for all applications, from construction to roads building and maintenance, concrete mixer, mining and quarrying, construction plant materials and extra-heavy loads transport.

The Group offers ecological diesel and natural gas engines on its entire range of vehicles. The Group continues to develop engines with specific components and configurations optimised for use with CNG and LNG. The Group has developed a comprehensive roadmap for the introduction in the market of a complete range of zero emission vehicles (from Light to Heavy).

In 2025, Truck business unit has successfully implemented its cost efficiency plan, redefining some investment priorities and reducing overall operating expenses.

During 2025 the Group, under the Truck business, has signed strategic cooperation agreements such as on 14 March the Cooperation Framework Agreement with Stellantis, for the supply, sale and distribution of a Large and a Mid electric van, under IVECO brand and IVECO network (incl. services), for the EU market and on 16 March the Joint Development Agreement with Ford Otosan, for the co-development of a new cab portfolio, enhancing liveability & comfort, aerodynamics for CO₂ reduction, to comply with EU Direct Vision (GSR-D).

Bus (IVECO BUS and HEULIEZ)

Under the IVECO BUS and HEULIEZ brands, the Group offers city buses and inter-city commuter buses, minibuses, school buses and coaches. The Group is an EU leader in inter-city buses, and is a leader in inter-city buses as well as in low and zero emissions solutions. IVECO BUS is one of the major European manufacturers in the passenger transport sector and is expanding its activities at the European level. IVECO BUS is a leader in city buses in France under the HEULIEZ brand and in particular on the electric urban bus market. The Group has a competitive footprint in Europe and Latin America and is looking to grow in the AMEA region through portfolio expansion.

Powertrain

Powertrain is dedicated to the design, manufacture and sale of combustion engines, alternative propulsion systems, transmissions, and axles under the FPT Industrial brand.

Its extensive product offering includes six engine ranges with power outputs from 30 hp to over 1,000 hp, transmissions with torque up to 500 Nm, and front and rear axles from 2.45 to 32 tonne GAW (Gross Axle Weight). FPT Industrial offers the most complete line-up of natural gas engines for industrial applications on the market, with power outputs ranging from 50 to 520 hp. A dedicated ePowertrain division is accelerating the path towards net zero-emissions mobility, with electric drivelines, battery packs, and battery management systems. This extensive offering, and its strong focus on R&D, makes FPT Industrial a world leader in industrial powertrains and solutions.

Launches: Throughout 2025, FPT continued on its path by focusing on the development of state-of-the-art, high-performance, and sustainable solutions that power vehicles and vessels worldwide across a wide range of missions. In February, FPT took a step towards an increasingly zero-emission marine world and announced the entry of its ePowertrain portfolio into the marine sector. AS Labruna, a FPT official distributor, recognized the potential of this choice. The company has placed the eBS 37 EVO at the heart of the HEVolution 80-37 hybrid generator from the new HEVolution product range. This cutting-edge offering represents a decisive step towards innovative and carbon-neutral energy solutions and reaffirms AS Labruna's commitment to leading the maritime industry towards a more sustainable and technologically advanced future. In line with its path towards even more sustainable powertrain solutions and technological innovation, FPT - alongside its brand Potenza Technology - achieved ISO 26262 ASIL C certification for the eBM 5 Battery Management System for high voltage batteries, designed entirely in-house. The certification was from TÜV SÜD. This important milestone highlights the qualities of the fifth-generation battery management system, designed and developed entirely in-house by the integrated FPT and Potenza Technology team, from the circuitry right through to the software base and application layers. This state-of-the-art system is defined by flexibility and scalability. With a highly modular design at its core, it is compatible with 400- or 800-volt battery systems, which can be configured at an application level to optimize vehicle efficiency and performance. This enables OEMs to maximize the system's effectiveness for each use.

In India, FPT powers Case Construction equipment's line-up with its F28 CEV Stage V engine, a new solution for a more sustainable future, which was presented at Bharat Construction Equipment Expo.

In the same month, the Brand participated at POWERGEN International, which took place in Dallas, Texas. The company showed its newly expanded line-up of 2.4 to 16-liter engines, which comply with worldwide emission standards, from Tier 4 Final/ Stage V to unregulated. This comprehensive portfolio of engines is tailored to customers' wide-ranging power generation requirements, and always guarantees outstanding performance, reliability, efficiency, and excellent fluid consumption. With regard to Power Generation, in April, FPT participated at the MEE show in Dubai alongside its distributor network, showcasing a selection of its offerings for this segment. On this occasion, the launch of the R38 took center stage. This engine is a new 3.8 liter turbocharged engine developed as a cost-effective solution for unregulated applications, designed for both power generation and industrial power unit line-ups and covering 50-60 kVA and 55-65 kW outputs, respectively. The R38 features G-Drive, the brand's quick-to-market solution with cooling pack and filters already installed. It is equipped with a robust, proven, and reliable mechanical injection system, while maintenance is facilitated and sped up thanks to the single-side servicing. For the power generation version, the R38 is switchable from 1,500 rpm to 1,800 rpm to minimize OEMs' stock requirements. The flexibility that defines the R38 makes it ideally suited to a broad range of applications, from stationary backup to mobile prime power.

Together with the ASTRA brand, FPT supported the handling operations of the twenty-seven wind turbine blades destined for the new "Mondonuovo" wind farm in Mesagne (BR). ASTRA HD9 vehicles, equipped with the CURSOR 13 engine, took part in the complex transport operations during one of the most delicate phases of this renewable energy project. The construction of infrastructure such as a wind farm involves operations with a very high level of complexity. Transporting blades up to 81 meters long on a special twelve-axle trailer, with a total combined weight of over 200 tons, is certainly among the most challenging tasks.

As regards the Customer Service area, FPT exhibited its original remanufacturing solutions at REMATEC 2025, the world's leading remanufacturing trade show for industry professionals, which took place in Amsterdam in April. FPT showed its leadership in Original REMAN Solutions by displaying its range of original remanufactured engines and components. To highlight the importance of the remanufacturing sector during the show, the brand took center stage in two key sessions. The first was a conference focused on the FPT Original Reman business & products, while the second, entitled "Panel Circular & Sustainable Vehicles", saw FPT and other companies exploring the trends, developments, and technologies in the design, production, and end-of-life treatment of sustainable vehicles. Both sessions were held at the Rematec Theatre.

In June, FPT, together with its distributor Bimotor and VULKAN Italia, took part in the technological upgrading project of MotoBattello 3 - the first ACTV waterbus (the operating company providing public transport services on behalf of AVM – Azienda Veneziana della Mobilità) to undergo a hybrid retrofit, following its presentation at the 2025 Venice Boat Show. This project represents a concrete example of the conversion of maritime mobility and a new way of rethinking navigation towards more sustainable solutions with an ever-lower environmental impact.

September began with a strong focus on marine trade shows. As usual, FPT took part in the Cannes Yachting Festival together with its distributor Bimotor, where it showcased two engines from its marine line-up for recreational applications: the N67 570 EVO and the S30. The N67 570 EVO is one of the most powerful engines in the NEF family for marine applications and, in addition to its performance, it has achieved great success among boaters worldwide thanks to its lightweight design and quiet operation. The S30, from the F1 engine series, is ideal for powering any type of planing or semi-planing pleasure boat up to 10 meters in length.

The following week, the Brand took part in the Genoa International Boat Show together with its distributor Naval Motor Botti. At its stand, a selection of the marine range was showcased to the public. Among the highlights was the CURSOR 16 1000, an engine renowned for its ease of maintenance and outstanding efficiency, resulting in competitive operating costs. Delivering power outputs ranging from 815 to 1,000 hp, it ensures simple installation, excellent performance, quiet operation, and high reliability, making it ideal for motor yachts and sport-fishing boats up to 24 meters in length. Also on display was the N67, the most powerful engine in the renowned NEF family for marine applications. Chosen by boaters worldwide, it combines high-performance with a lightweight design and low noise levels, making it the ideal solution for vessels up to 18 meters. Completing the showcase was the BS 37 EVO, the latest addition to the marine range designed for zero-emission navigation. At the beginning of 2025, the eBS 37 EVO marked the debut of FPT's ePowertrain line in the marine sector, representing a natural evolution following years of success in the on-road segment, where customers around the world have recognized its quality and reliability. The eBS 37 EVO is a modular battery pack integrating high-energy-density cells and modules; it can be installed to power both full-electric and hybrid applications, making it ideal, for example, for navigation in protected marine areas.

October marked the start of a partnership-focused period for FPT. The Brand signed a new agreement with JCB, a leading manufacturer of agricultural equipment, to power the new range of its high-speed Fastrac tractors: the JCB Fastrac 6000 Series. The new engine under the hood is the N67, renowned for its productivity, efficiency, and versatility. This represents an important milestone, confirming FPT as the preferred choice of agricultural machinery manufacturers around the world.

The announcement was soon followed by news that FPT would supply the new Lintrac 160 LDrive, the most powerful tractor in Lindner's history. The engine supplied is the N45, whose characteristics make it an ideal fit for the new Lintrac 160 LDrive, designed to operate in high-altitude environments and on steep terrain. Among the key features that make the engine ideally suited to the new Lintrac 160 LDrive are its lean design and compact dimensions, combined with impressive power and torque - not to mention the engine's proven reliability, a key factor when it comes to demanding field operations.

At the beginning of November, another agreement was signed by FPT. SDF chose the Brand for the supply of its N67 engine, which powers the new DEUTZ-FAHR 8 Series TTV, launched at Agritechnica 2025. This represents an important partnership secured by FPT, marking a significant milestone that consolidates the brand's leading position in the agricultural sector, as it reaffirms itself as a reliable and preferred partner for OEMs worldwide.

November continued with a strong focus on innovation in the agricultural sector for FPT. The Brand in fact took part in Agritechnica, the world's leading trade fair dedicated to agricultural mechanization held in Hanover, showcasing major new developments and reaffirming its role as a benchmark in the agricultural segment. First and foremost, the Brand's commitment to sustainability was once again confirmed, as embodied by the stand, which was once again carbon neutral. The entire life cycle of the stand—from material sourcing and transportation to assembly, energy use, and dismantling—was assessed in terms of carbon emissions. At the end of the event, any residual emissions were offset through the purchase of certified carbon credits. On display at the stand were the F28 Hybrid—ideal for telescopic handlers, compact, specialized and utility tractors, as well as machines dedicated to fruit harvesting; and the N67, which, thanks to its reliability, robustness, and fuel efficiency, once again proves to be the ideal choice for a wide range of agricultural applications, including tractors, combine harvesters, specialized fruit-harvesting machines, mowers, sprayers, and many others. Also on display was the XCURSOR 13, initially launched for the on-road sector, which combines performance, reduced emissions, reliability, and the ability to meet the productivity requirements of every specific agricultural application. The CURSOR 16 was also on showcase—the most powerful engine in the CURSOR range, FPT's flagship series for heavy-duty off-road applications. Performance, reliability, and robustness are at the core of this engine, which was presented at AGRITECHNICA 2025 in its highest power rating. FPT's commitment to sustainability was also demonstrated by FORMA, a new battery pack concept that defines the next generation of FPT zero-emission solutions. FORMA is an acronym for Future-ready, Open-ended, Reconfigurable, Modular, Adaptable. A name rooted in Italian history, evoking engineering excellence capable of taking on any configuration—or form, precisely. FPT FORMA represents a revolutionary approach to battery design, capable of adapting to virtually any configuration. This innovative concept marks a fundamental step in FPT's battery storage strategy, developed as a cross-segment initiative and also ideally suited to off-road applications. In addition, the Brand also showcased its Power Unit, plug-and-play solutions for auxiliary applications in the agricultural sector. Specifically, these included the F36 IPU and the CURSOR 9 IPU. The stand also featured Customer Service solutions, providing support to customers worldwide.

During the show, FPT once again reaffirmed its support for premium OEMs worldwide. Among them, New Holland Agriculture stood out, with several new launches powered by FPT engines. Specifically, these included the Hybrid Prototype Telehandler, powered by FPT's F28 Hybrid natural gas engine in a high-voltage configuration; the T7 Standard Wheelbase (SWB) tractor series, whose heart is the N67 engine; and the new T7 XD, equipped with the CURSOR 9.

In 2025, several agreements were signed with new distributors, further expanding the network with the aim of providing ever-greater support to customers worldwide. In North America, agreements were signed with Stauffer Diesel, ADR Power Systems, and Highmark Marine Fabrication LLC to expand the marine engine offering. In India, AB Engineering and Systems Private Limited (ABES) was appointed as the first authorized distributor for the area. In EMEA, the distributor network was expanded with Marline Marine Engineering Ltd, Breakwater Marine Ltd, Engines Plus Ltd, and Mitchell Diesel Ltd for the United Kingdom and Ireland; Anadolu Traktör Makina for Turkey; and Power House AB for Sweden.

Sustainability is in FPT's DNA and lies at the core of all processes, developments, and products. In this context, during 2025, the Brand chose to celebrate the International Day for Biological Diversity by contributing to the conservation of marine ecosystems and supporting efforts to safeguard the biodiversity of the Mediterranean Sea. FPT supported the activities of the Tethys Research Institute, a non-profit organization dedicated to the study and conservation of the marine environment, particularly within the Pelagos Sanctuary—a protected area of approximately 90,000 km² spanning the territorial waters of Italy, France, and the Principality of Monaco in the Ligurian and Tyrrhenian Seas.

In June, FPT took part in World Oceans Day (8 June) alongside One Ocean Foundation, supporting Blue Forest, a project of international scope dedicated to protecting and restoring marine forests of various types, starting with the waters of the Mediterranean Sea. The Blue Forest project focuses in particular on the Mediterranean, an extremely delicate basin with unique ecological characteristics which is the sole growth area for *Posidonia oceanica*, a particular endemic marine plant which forms extensive underwater forests that play as fundamentally important a role for the marine ecosystem as plants do on dry land.

This is not intended to serve as a comprehensive enumeration of all launches throughout the year, but rather those for which a global press release was issued.

Deliveries: Among the main deliveries in 2025, in November Xiamen Golden Dragon Bus Co., Ltd. delivered a first batch of buses equipped with FPT's CURSOR 9 Euro VI Natural Gas engines to the public transportation board of the city of Kragujevac in Serbia. This delivery demonstrated FPT's leadership in the Natural Gas bus segment in Europe, built on 20 years of experience with this technology which has become the market standard for the segment. The delivery marks the start of a four-year program that will see a total of 200 vehicles delivered, enhancing the local public transportation service capacity, as well as supporting the local goal of achieving low-carbon transportation.

This is not intended to serve as a comprehensive enumeration of all deliveries throughout the year, but rather those for which a global press release was issued.

Prizes and achievements: 2025 was yet another year full of awards and achievements for FPT. It started with the podium at the Dakar Rally, when the brand secured nine out of ten of the top final places in the truck standings. As Exclusive Technical Partner, the brand supported de Rooy FPT teams, led by the drivers Aleš Loprais, Vaidotas Žala and Anja Van Loon. Loprais, from InstaTrade Loprais Team de Rooy FPT, took 3rd place with the well-known IVECO Powerstar model 2024/2025, equipped with the iconic CURSOR 13 engine, designed to deliver unmatched power, efficiency, reliability, and sustainability in the toughest conditions. Vaidotas Žala, the new entry to Skuba Team de Rooy FPT, and Anja Van Loon (Fried Van de Laar Racing Team de Rooy FPT), conquered the dunes of Saudi Arabia with impressive performances across multiple stages, including six podium finishes for Žala and a fourth-place finish for Van Loon. These two drivers finished the rally fifth and eighth respectively, recording their best-ever results in the competition. Following the success of the Dakar rally, IVECO's Eurocargo CNG, powered by FPT's N67 NG engines, was crowned Sustainable Truck of the Year in the Distribution category. A key factor in the sustainability of the Eurocargo CNG, IVECO's flagship vehicle in the medium-weight segment, was undoubtedly the engine, which is the perfect choice for medium-duty truck applications. The Eurocargo CNG is the only truck in Europe to offer natural gas across the full range and one of the most popular trucks on the market.

In May, the 2025 FUSO Supplier Award was added to FPT's list of accolades. The brand was awarded in the Partnership category by Mitsubishi Fuso Truck and Bus Corporation, part of Daimler Truck AG. The prize recognizes the outstanding value of FPT as a strategic supplier and came thanks to its role in delivering technical solutions that ensure compliance with regulations across domestic and international markets. It is an achievement which reflects the brand's ongoing collaboration and commitment to maintaining clear, open, and proactive communication to promptly address any issues or changes.

With regards to its plants, FPT had much to celebrate in 2025. The Bourbon-Lancy facility marked its 150th anniversary with an event attended by employees and their families. The history of the Bourbon-Lancy plant began in 1874, when it quickly became a key production hub for early innovations in the agricultural sector. From the mid-20th century, the site expanded its industrial and business footprint through diversification. In 1975, the plant was acquired by IVECO, marking the beginning of its specialization in the production of internal combustion engines. Just 22 years later, in 1998, it became the birthplace of one of the most iconic and innovative engine ranges in FPT's history: the CURSOR engine family.

In November, the Sete Lagoas plant, in Minas Gerais, Brazil, celebrated its 25th anniversary, a milestone for the Brand that highlights a quarter-century of continuous innovation, passion, and an unwavering commitment to quality. Since its establishment in 2000, the plant has produced 725,000 engines, playing a decisive role in the industrial history of Latin America and providing tangible support for the energy transition. The facility manufactures engines for the on-road, off-road, and power generation segments, and is home to the production of globally renowned engines from the F1, NEF Series and S8000 lines, which power commercial vehicles, agricultural and construction machines, as well as G-Drives for power generation.

The year ended with a batch of prizes in the agricultural sector. FPT powered three "Tractor of the Year" 2026 winners: the Claas Axion 9.450 Terra Trac, "Tractor of the Year®" (TotY) in the HighPower category, which is powered by FPT's CURSOR 9 engine; the New Holland T4.120 F Auto Command, "Tractor of the Year®" (TotY) in the Specialized category, featuring FPT's F36 engine; JCB New Fastrac 6300, "Tractor of the Year®" in the Sustainable category, driven by FPT's N67 engine. This year, out of the 24 finalists with ICE engines across five categories, ten were powered by FPT, confirming the manufacturer's position as one of the preferred engine suppliers among tractor manufacturers.

Lastly, the brand engines equipped eight finalists of the Farm Machine 2026, an important prize which was awarded during the Agritechnica show. Awarded biennially by Traction magazine, Farm Machine is among the most prestigious honors in the agricultural machinery industry, recognizing outstanding innovation and product excellence. In this year's edition, FPT engines powered eight finalists, securing wins across four categories: Category Upper Medium Size Tractor (Case IH Optum 440 equipped with CURSOR 9 engine); Category Allaround Tractor (Lindner Lintrac 160 LDrive equipped with N45 engine); Category Combine Harvester (New Holland CX 8.90 PLMi equipped with CURSOR 9 engine); Category Material Handling (New Holland W170D Forage Power equipped with N67 engine). These prizes underlined the reliability, performance, and sustainability of FPT engines.

SALES AND DISTRIBUTION

Truck

Truck's worldwide distribution strategy is based on a network of independent dealers, in addition to its own dealerships and branches. As of 31 December 2025, Truck had approximately 423 dealers globally (of which 13 were directly owned by the Group and 6 were branches). All dealers sell spare parts for the relevant vehicles. Truck bolsters its distribution strategy by offering incentives to its dealers based on target achievements for sales of new vehicles and parts and providing high quality aftersales services.

As of 31 December 2025, Truck had approximately 1,100 sales and 2,300 service network points. In addition to Truck' standard one-year full vehicle warranty and two-year powertrain warranty, Truck offers personalised aftersales customer assistance programmes.

A key element of Truck's growth strategy is its distribution network. In Western and Eastern Europe, Türkiye, Australia and Latin America, continued consolidation of the distribution network is aimed at improving service to customers. In Africa and the Middle East, the distribution network is being expanded to fully exploit growth in these markets.

In the UK, Truck is one of the OEMs that sells trucks and other commercial vehicles to companies which offer commercial vehicle rental solutions.

Bus

Bus worldwide distribution strategy is based on a network of dealers that are complementing the direct sales channel which is addressing in many markets typically the public and private accounts, such as Arriva, RATP Dev, Keolis, Ile-de-France-Mobilités, Transdev or Deutsche Bahn. As of 31 December 2025, Bus had 182 dealers globally (of which 3 were directly owned by the Group and 18 were branches). Dealers are comprising some that are dedicated Bus dealerships, while the majority is as well sharing the Iveco Truck distribution mandate. Service network points are mostly common with Iveco Truck business, leveraging on the processes.

Bus is enjoying a consolidated position in Europe as second player, while expanding its presence in Latin America and in a selective way as well within the AMEA region and Central Asia. As of 31 December 2025, Bus had approximately 375 sales and 1,000 service network points.

Powertrain

Powertrain specializes in delivering propulsion solution products to the Truck, Bus and Defence segments within the Iveco Group. The Company extends its services to the agriculture and construction equipment businesses, catering to various third-party customers. Furthermore, Powertrain strategically aligns its commercial approach and business model towards cultivating a diverse portfolio of medium-to-large OEMs clientele. The Company has successfully engaged in establishing long-term supply agreements with an expanding number of third-party customers. Powertrain has a network of dealers and service points that cover its entire product range and related market sectors. Large OEMs predominantly utilize use their own internal networks to obtain parts and services for purchased equipment, while small OEMs frequently rely on us for delivery of parts and services through Powertrain's worldwide network.

PRICING AND PROMOTION

The retail price of any particular piece of equipment or vehicle is determined by the individual dealer or distributor and generally depends on market conditions, features, options, and potentially regulatory requirements. Retail sale prices may differ from the manufacturer-suggested list prices, as a result of different factors (markets' demand; customers' specific requirements; local market conditions; general economic conditions; access to financing; etc.). The Group sells most of the Group's portfolio to its dealers and distributors at wholesale prices that reflect a discount from the manufacturer-suggested list price.

In the ordinary course of business, the Group engages in promotional campaigns that may include price incentives or preferential financing terms with respect to the purchase of certain products. The Group regularly advertises its products to transporters, distributors and dealers in each of its major markets. To reach the Group's target audience, the Group uses a combination of general media, specialised design and trade magazines, Internet and direct mail. The Group also regularly participates in major international and national trade shows and engage in co-operative advertising programs with distributors and dealers. The promotion strategy for each brand varies according to the target customers for that brand.

Referring to Bus, the majority of sales are administered through standardized procurement processes both for public and for private customers. While the tender award criteria are widely different, the process aims at achieving the best product fit combined with best cost of ownership over a certain holding period of the asset. Bus has developed extensive expertise over the years to price its products and services profitably in this competitive bidding process. Typically, customers ask long term warranties on quality and product behavior, through maintenance and repair contracts and uptime guarantees, that require high quality standards on the product side and strong technical support in proximity to customer operations. Promotional activities include participation to trade fairs as well as dedicated customer events with test drive and marketing campaigns, complementing the direct contact between Bus sales organization and customer.

PARTS AND SERVICES

The quality and timely availability of parts and services are important competitive factors for each of the Group's businesses, as they are significant elements in overall dealer and customer satisfaction and important considerations in a customer's original equipment purchase decision. The Group supplies parts, many of which are proprietary, to support items in the current product line as well as for products the Group has sold in the past. The Group also offers personalised aftersales customer assistance programs that provide a wide range of modular and flexible maintenance and repair contracts, as well as warranty extension services, to meet a variety of customers' needs and to support the vehicle's value over time. Many of the Group's products can have economically productive lives over 10 years when properly maintained, and each unit has the potential to produce a long-term parts and services revenue stream for the Group and its dealers. For these engines FPT Industrial Customer Service has developed the "Original Reman" line: cost-efficient parts that are exactly as efficient as a brand-new unit. The remanufactured products, which are also a sustainable alternative, get tested and provided with a full warranty. The full range of "Original reman" products was presented at Rematec, the premier global event for remanufacturing, held in Amsterdam from 8 to 10 April. At the stand, visitors had the chance to see a remanufactured F1C engine – the 3.0 l Common Rail diesel engine for on road applications – split in half to show a cross section highlighting the quality of the Reman product and regeneration process. Visitors also had the possibility to embark on a virtual journey through the Garchizy FPT Industrial Reman plant, gaining an up-close view of the processes and technologies behind remanufacturing of engines, transmissions and components.

Connectivity and digitalisation play an important role in the Company strategy, supporting both our sustainability goals and our pursue of Customer Uptime. All FPT customers, from big OEMs to niche manufacturers, can benefit from smart connected services. More than 400,000 assets are monitored 24/7 by our Control Room system, where after sales experts and engineers work side by side to develop and release in field algorithms that improve fuel efficiency and reduce both emissions and unscheduled stops through FPT Industrial Proactive Assistance Service, part of Connected services portfolio. All these services allow FPT customers to experience up to 99% uptime. Confirming the positive feedback from Dakar 2025, the remote monitoring service will be also adopted to support de Rooy's team at Dakar 2026. FPT Control Room team will constantly monitor the engine's performance, leveraging on cutting-edge technologies tailored to meet the stringent rules of the Dakar and the specific needs of the team. Stage after stage, the team will be provided with detailed insights and timely alerts in case of anomalies, allowing the team to optimize strategies and interventions.

In the unlikely event of a breakdown related to one of brand products, FPT Industrial and its network increasingly leverage on virtual tools: whether is programming an engine ECU via a smartphone, or guiding a technician in field through FPT proprietary platform, FPT has developed tools to support customer uptime, enabling 75% of issues remotely managed.

As of 31 December 2025, the Group operated and administered 18 parts depots worldwide either directly, through a joint venture, or through arrangements with warehouse service providers. This network includes 8 in Europe, 2 in South America, 1 in North America, and 7 in Rest of World supporting Truck, Bus, Defence and Powertrain, respectively. These depots supply parts to dealers and distributors, which are responsible for sales to retail customers. The Group's parts depots and parts delivery systems provide customers with access to substantially all the parts required to support Group's products.

Referring to Bus, its operators transport people and as such the level of expectation in terms of product reliability and safety is very high. The service points network is an important asset as it ensures customer proximity and ability to solve any technical issue in the field within short delay. Bus has a specific organization managing vehicle uptime through a control room in Venissieux site and a task force of experts specially trained on Bus products to intervene directly on customer operation in case this should be required.

COMMERCIAL AND/OR MANUFACTURING COLLABORATIONS

As part of a strategy to enter and expand in new markets, the Group is involved in several commercial and/or manufacturing collaborations relating to Industrial Activities businesses. In particular, in China, the Group has a 60.0% interest in SAIC Fiat Powertrain Hongyan Ltd (SFH), a manufacturing company located in Chongqing, which produces diesel engines under license from the Group to be sold in the Chinese market and to be exported to Europe, the U.S. and Latin America.

FINANCIAL SERVICES

Financial Services offers a range of financial products and services to dealers, importers, customers and suppliers in the various regions in which the Group's Industrial Activities segments operate. The principal products offered directly or through joint ventures with banks are retail loan, lease financing and operating lease for the purchase or lease of new and used vehicles, wholesale financing to dealers and discount of non-dealer trade receivables from legal entities of the Group. Wholesale financing consists primarily of dealer floor plan financing and gives the dealers the ability to maintain a representative inventory of new products. In addition, Financial Services directly or through joint ventures with banks provides financing to dealers for used vehicles taken in trade-in, vehicles utilised in dealer-owned rental yards, parts inventory, working capital and other financing needs. As a captive finance business, Financial Services is reliant on and supports the operations of commercial and specialty vehicles, and powertrain, their dealers and customers.

Financial Services supports the growth of Industrial Activities by developing and structuring financial products with the objective of increasing vehicle sales as well as profitability and customer loyalty. Financial Services' strategy is to grow a core financing business to support the sale of the Group's vehicles while at the same time maintaining its portfolio credit quality, service levels, operational effectiveness and customer satisfaction. Financial Services also offers products to finance third party vehicles sold through the Group's dealer network or within the Group's core businesses. Financed third party vehicles include used vehicles taken in trade-in on the Group's products used in conjunction with or attached to the Group's products.

In Europe, there are two joint ventures that provide retail financing to customers for the purchase or lease of new and used vehicles sold directly by the Group or through brand dealers, depending on the country of origin. CNH Industrial Capital Europe S.a.S., a joint venture accounted for under the equity method, owned by BNP Paribas Group (50.1%), through a sub-holding retaining the 49.9% of the shares, jointly controlled by Iveco Group and CNH Industrial N.V., together retaining 49.9% of the shares. Transolver Finance Establecimiento Financiero de Credito S.A. (Transolver Finance), a joint venture with the Santander Group, operating in Spain, owned by Iveco Group N.V. (49%) and accounted for under the equity method. Transolver Finance also provides dealer financing. Additionally, there are vendor programs with banking partners that provide customer financing of new and used vehicles sold by brand dealers of the Group in different countries.

In Europe, the Middle East and Africa (EMEA), the Iveco Group Financial Services organisation provides services to the CNH Financial Services segment on customer financing and factoring deeply described and regulated in a specific Master Service Agreement (Financial Services Master Service Agreement). In this context in Europe, IC Financial Services S.A., a French specialised credit institution with passporting to operate in main European countries, wholly-owned by the Group, manages CNH dealer financing through a dedicated securitisation.

For South America, customer and dealer financing activities in Brazil are managed through CNH wholly-owned financial services company, Banco CNH Industrial Capital S.A. ("Banco CNH Industrial Capital"), which supports the sales of Iveco Group vehicles with a "Vendor Program". In Argentina, customer and dealer financing activities, which support the sales of Iveco Group vehicles, are supported and served through a wholly-owned CNH Financial Services company, with a "Vendor Program". In addition, other vendor programs with banking partners are also in place in Argentina and other South America countries.

For Rest of World (Australia), customer and dealer financing activities for commercial and specialty vehicles are managed through a "Vendor Program" with CNH wholly-owned financial services companies.

Customer Financing

Financial Services - also through the joint ventures - operates in the frame of retail underwriting and portfolio management policies and procedures. This allows Financial Services to reduce risk by deploying specific expertise in each of these businesses. The Group provides retail financial products primarily through the Group's dealers, who are trained in the offer of the various financial products. Dedicated credit underwriting teams perform retail credit analysis. The ownership of the vehicles for financial or operating leasing products is held by Financial Services or joint ventures.

Financial Services guidelines do not specify a minimum down payment for leased vehicles, but a range of 1 installment to 20% of the actual sales price generally applies, depending on the type of equipment, repayment terms, and customer credit worthiness.

GATE Mobility B.V. ("GATE" Green & Advanced Transport Ecosystem) – started operations in Italy in 2023 and expanded business through branches in France and Germany opened at the end of 2024. GATE is a company dedicated to rental business of Iveco Group green commercial vehicles. The mission of the company is to simplify the transition to electric mobility, with long term pay per use full-service rental provided in collaboration with premium partners. On 13 May 2025, Iveco Group and DLL (De Lage Landen International B.V.) announced they were entering into an agreement to facilitate the energy transition in Europe through rental solutions for low- to zero-emission commercial vehicles in Europe. The transaction received the required regulatory approvals and closed on 1 October 2025. Under the terms of the agreement, DLL acquired a 51% equity interest in GATE Mobility B.V., formerly a fully owned subsidiary of Iveco Group presented within Financial Services segment, through a reserved capital increase. Following the transaction, Iveco Group retains 49% interest in GATE, which from 1 October 2025 is accounted for under the equity method.

Dealer Financing

Financial Services provides wholesale floor plan financing for nearly all the Group's dealers. This allows them to acquire and maintain a representative inventory of products. Financial Services also provides financing to dealers for used vehicle taken in trade-in, vehicle utilised in dealer-owned rental yards, parts inventory, working capital, and other financing needs. For floor plan financing, Financial Services generally provides a fixed period of "interest free" financing to the dealers. This practice helps to level fluctuations in factory demand and provides a buffer from the impact of sales seasonality. For the "interest-free" period, the applicable Industrial Activities segment compensates Financial Services based on Financial Services' estimated costs and a targeted return on equity. The cost is recognised as a reduction in net sales for the applicable Industrial Activities segment. After the expiration of any "interest-free" period, interest is charged to dealers on outstanding balances until Financial Services receives payment in full.

A wholesale underwriting team reviews dealer financial information and payment performance to establish credit lines for each dealer. In setting these credit lines, Financial Services aims to meet the reasonable requirements of each dealer while managing its exposure. In most of the countries the credit lines are secured by retention of title of the vehicles financed. Dealer credit agreements generally include a requirement to repay the financing at the time of the retail sale of the unit. Financial Services leverages employees, third party contractors, and new digital technologies like "geo-fencing" to conduct periodic stock audits at each dealership to confirm that the financed vehicle is maintained in inventory. These audits are unannounced, and their frequency varies by dealer and depends on the dealer's financial strength, payment history, and prior performance.

Discount on Non Dealer Trade Receivables

Financial Services also provides intragroup discount of trade and other receivables. This activity involves the purchase (without recourse) of receivables from legal entities of the Group, originating from the different Industrial Activities segments, and due from third or related parties.

Sources of Funding

The long-term profitability of Financial Services' activities largely depends on the cyclical nature of the industries in which the Group operates, interest rate volatility, and the ability to access funding on competitive terms. Financial Services funds its on book operations and lending activity through a combination of financing sources including receivable securitisations, committed secured and unsecured facilities, uncommitted lines of credit, unsecured commercial paper, affiliated financing, equity and retained earnings. Financial Services' current funding strategy is to maintain sufficient liquidity and flexible access to a wide variety of financial instruments and funding options.

LEGAL PROCEEDINGS

As a global company with a diverse business portfolio, Iveco Group in the ordinary course of business is exposed to numerous legal risks, including, without limitation, dealers and suppliers litigation, intellectual property rights disputes, product warranty and defective product claims, product performance liability, asbestos, personal injury, regulatory and contractual issues, competition law, anti-corruption and other investigations, environmental claims. All significant matters are described below.

The outcome of any current or future proceedings, claims, or investigations cannot be predicted with certainty. Adverse decisions in some of these proceedings, claims or investigations could require Iveco Group to pay substantial damages or fines or undertake service actions, recall campaigns or other costly actions. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect Iveco Group's financial position and results.

When it is probable that an outflow of resources embodying economic benefits will be required to settle obligations and this amount can be reliably estimated, Iveco Group recognises specific provisions for this purpose. Contingent liabilities estimated by the Group, for which no provisions have been recognised since an outflow of resources is not considered probable at the present time, were not material at 31 December 2025 and 2024.

Although the ultimate outcome of legal matters pending against Iveco Group cannot be predicted, Iveco Group believes the reasonable possible range of losses for these unresolved legal matters in addition to the amounts accrued would not have a material effect on its Consolidated Financial Statements, except for the following cases.

Follow on Damages Claims: in 2011 Iveco S.p.A. and Iveco Magirus AG (now Iveco Deutschland AG, and together with Iveco S.p.A. "Iveco"), which, following the Demerger, are now part of Iveco Group N.V., and their competitors in the European Union were subject to an investigation by the European Commission (the "Commission") into certain business practices in the European Union in the period 1997-2011, in relation to Medium & Heavy trucks. On 19 July 2016, the Commission announced a settlement with CNH Industrial ("the Decision") including a settlement with Iveco. In particular, Iveco received a reduction in its fine for cooperating with the European Commission throughout the investigation, and received a fine of €494.6 million. Similar decisions were taken, by the Commission, with reference to the other competitors. Following the Decision, Iveco S.p.A. and Iveco Magirus AG (now Iveco Deutschland AG) have been named as defendants in many proceedings across Europe and Israel. These damage claims could result in substantial liabilities for the Group as well as incurring in significant defense costs, which may have a material adverse effect on its operations and financial condition. The extent and outcome of these claims cannot be reliably predicted at this time and, therefore, the Group did not recognise any specific provision for these claims. In 2025 and 2024, Iveco Group recognised a cost of €80 million and €20 million, respectively, related to certain claims for which it was possible to make a reliable estimate. This current position will be reassessed on a regular basis and updated as necessary, based on cases' evolution. In accordance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* (paragraph 92), no further information is disclosed so as not to prejudice the Group's position.

FPT Emissions Claims: We are defending individual civil claims alleging emissions' non-compliance in Germany and Austria. We cannot predict at this time the extent and outcome of these individual claims and therefore we did not recognise any specific provision in such relation.

Iveco Poland Antitrust Case: in August 2024, the President of the Office of Competition and Consumer Protection of Poland ("UOKIK") issued a decision regarding alleged violations of competition law by Iveco Poland Sp. z o.o. ("IPL"), a subsidiary of Iveco Group N.V., and its distributors in the local truck market, envisaging a fine of PLN 155 million (approximately €37 million as of 31 December 2025). The UOKIK decision was served on IPL in September 2024. Iveco Group disagrees with the allegations and findings presented by the UOKIK and intends to defend its case in every possible instance and the decision of UOKIK is not yet final or binding. As a consequence, in October 2024, IPL has appealed the UOKIK decision before the Polish First Instance court (the "Court") and, as of the date of the present document, the proceedings are pending. Only a final judgment of the Court will determine whether a breach of competition law took place and the amount of the fine, if any, that should be paid. In light of the above, Iveco Group did not recognise any specific provision in relation to this case.

INSURANCE

Iveco Group covers with third party insurers the various risks arising from its business activities including, but not limited to, risk of loss or damage to its assets or facilities, business interruption, general liability, product liability and directors' and officers' liability. The Group believes it maintains insurance coverage that is customary in its industry. Iveco Group relies on international brokers to place its insurance coverage.

PLANTS AND MANUFACTURING PROCESSES

As of 31 December 2025, the Group owned 28 manufacturing facilities (of which 5 manufacturing facilities belong to Discontinued Operations). The Group also owns other significant properties including spare parts depots, research laboratories, test tracks, warehouses, and office buildings.

The Group makes capital expenditures in the regions in which it operates principally related to initiatives to introduce new products, enhance manufacturing efficiency and improve capacity, and for maintenance and engineering. In 2025, the Group's total capital expenditures in long-lived assets, excluding assets sold with buy-back commitments and equipment on operating leases, were €775 million (€914 million in 2024), of which 95% was spent in Europe, 4% in South America and 1% in North America, respectively. These capital expenditures were funded through a combination of cash generated from operating activities and borrowings under short-term facilities.

The following table provides information about our main manufacturing and engineering facilities of Continuing Operations as of 31 December 2025:

Location	Primary Functions	Approximate Covered Area (Sqm/000)
Italy		
Brescia	Medium vehicles, cabs, chassis; R&D centre	276
Foggia	Engines; drive shafts; R&D centre	151
Foggia	Buses	5
Suzzara	Light vehicles; R&D centre	170
Torino	Transmissions and axles	222
Torino	Engines	142
Torino	R&D centre (Truck)	41
Torino	R&D centre (Powertrain)	28
Torino	Powertrain generation	18
France		
Annonay	Buses (Coaches & City); R&D centre	114
Bourbon Lancy	Engines; R&D centre	107
Fourchambault	Engines (remanufacturing)	24
Rorthais	Buses (City); R&D centre	34
Venissieux	R&D centre (Buses)	14
Brazil		
Sete Lagoas	Heavy, medium and light vehicles; R&D centre	184
Sete Lagoas	Engines; R&D centre	25
Germany		
Ulm	R&D centre (Truck)	45
Ulm	Electric and hydrogen-powered heavy-duty trucks; R&D centre	29
China		
Chongqing	Engine; R&D centre	76
Shanghai	R&D centre (Powertrain)	—
Argentina		
Cordoba	(Medium/Heavy) Trucks and buses; R&D centre	58
Cordoba	Engines	31
Spain		
Madrid	Heavy vehicles; R&D centre	134
Valladolid	Light vehicles, heavy cab components	118
United Kingdom		
Coventry	R&D centre (Powertrain)	2
Others		
Vysoke Myto (Czech Republic)	Buses (City & Intercity); R&D centre	133
Arbon (Switzerland)	R&D centre (Powertrain)	6
Burr Ridge (United States)	R&D centre (Powertrain)	8

RESEARCH AND DEVELOPMENT

In continuity with the trajectory defined in 2024, the Company continued to advance its leadership in sustainable mobility and technological innovation. The year 2025 represented a transition period between the consolidation of the 2024 product launches and the initiation of a new product cycle.

Throughout 2025, efforts were twofold. On one side, the Iveco Group strengthened the Model Year 24 line-up, consolidating the entire electric vehicle line-up. On the other, it launched a new product wave, initiating development activities on strategic assets such as the Medium-Heavy Duty Trucks, BUS Next Generation, new engines line up and new electric vehicles generation.

The Product Portfolio and Technology Roadmap remain fully aligned with the Company's strategic ambitions:

- maintaining product competitiveness in line with market emerging expectations
- introducing a high level of technology and modernity across all products
- increasing the speed of adaptation to evolving market and regulatory conditions

The Company's Research and Development (R&D) Department confirmed the Product evolution is driven by 3 main technology pillars:

1) Multi propulsion & energy approach:

Iveco Group remains committed to supporting the energy transition by optimizing its portfolio across multiple propulsion technologies.

These include Natural Gas and Biofuel engine evolution, next-generation electric propulsion systems and batteries, and Hydrogen solutions, enabling the Company to address diverse customer requirements with a flexible approach.

Meanwhile, the internal combustion engine portfolio has been reinforced with new powertrain solutions driven by regulatory compliance, efficiency improvement, and platform integration.

2) Software Defined Vehicle:

Iveco Group is positioning itself as a leader in connected services and vehicle digitalization, leveraging internal software capabilities and strategic partnerships. The advancement of Advanced Driver Assistance Systems (ADAS) has strengthened vehicle safety and operational efficiency. Autonomous Driving Level 2 has been introduced in compliance with regulatory standards while accelerating Level 2+ development through strategic world-class partnerships

3) Product architecture evolution:

This refers to innovation in defining and developing next-generation platforms that are best-in-class in terms of modularity, technological readiness, and cost-efficient evolution throughout their lifecycle.

In 2025, the expenditure in research and development (including capitalised development costs and costs charged directly to operations during the year) totalled €672 million, or 5.1% of net revenues from Industrial Activities.

At 31 December 2025 approximately 3,600 employees at 28 sites around the world were involved in the research and development activities (of which approximately 3,200 employees at 22 sites refer to Continuing Operations). Approximately 250 employees were located at 6 sites in emerging countries(1).

The following table shows our total research and development expenditures, including capitalised development costs and costs charged directly to operations during the year, by segment for the years ended 31 December 2025 and 2024:

<i>(€ million)</i>	2025	2024
Truck	466	558
Bus	73	75
Powertrain	133	145
Eliminations and Other	—	—
Total of Industrial Activities	672	778
Financial Services	—	—
Eliminations	—	—
Total Continuing Operations	672	778
Discontinued Operations	29	43
Total	701	821

(1) Emerging Markets are defined as low, lower-middle or upper-middle income countries as per the World Bank list of economies as at 31 December 2025.

The Group owns a significant number of patents, trade secrets, and trademarks related to its products and services, and that number is expected to grow as its research and development activities continue. With reference to Continuing Operations, at 31 December 2025, Iveco Group owned 1,145 patent families, totalling 5,257 active patents, which includes 86 new patents registered during the year. Additionally, there were 654 patents applications pending at that time. The Group's patents predominantly pertain to its product line, with 73% related to heavy, medium and light commercial vehicles, special vehicles, buses, and spare parts. The remaining 27% of patents are associated with engines and driveline systems. These patents encompass products, industrial processes, and both internal and external aesthetics of the Group's products. To elaborate, 500 to buses, over 515 to heavy trucks, around 104 to medium trucks and more than 378 to light trucks and vans. Around 450 patents safeguard the Group's vehicle spare parts, and over 953 patents pertain to innovative technologies intended for implementation in the Group's vehicles. These technologies include alternative propulsion, battery management systems, and autonomous driving solutions. The remaining patents, approximately 1,308, are related to engines, with 146 associated with drivetrain systems. Other patents pertain to electronic systems, chassis, hydraulic components, and manufacturing processes. In recent years, the Group's patent portfolio has strategically focused on key technological areas such as alternative propulsion, including fuel cell and battery electric vehicles, liquid and compressed natural gas engines, and innovative solutions for autonomous driving for both short and long international goods transport. At 31 December 2025, over 43% of the Group's patent portfolio serves to protect its current vehicles and engines. The entire patent portfolio is designed to defend the Group against potential patent infringements. With reference to Defence business, at 31 December 2025, Iveco Group owned around 90 active patents.

The development of products that reduce polluting and CO₂ emissions, optimization of energy consumption and efficiency, and the use of alternative fuels and adoption of alternative traction systems were key areas of focus. The incorporation of advanced telematics systems to ensure safe use, along with a focus on automated driving and connectivity and data management, were also prioritized.

Looking ahead, Iveco Group is committed to enhancing customer satisfaction and ensuring the highest quality in all its products and services. The focus will be on delivering innovative solutions that meet the needs of customers while maintaining a strong emphasis on sustainability and technological advancement. By prioritizing customer satisfaction and quality, Iveco Group aims to build long-lasting relationships with its customers and continue to lead the commercial vehicle sector in innovation and excellence.

HUMAN RESOURCES

EMPLOYEES

The ability to attract, retain, and further develop qualified employees is crucial to the success of Iveco Group's businesses and its ability to create value over the long-term. The Group's business is, by its nature, labour intensive and this is reflected in the high number of the Group hourly employees.

The following tables show the breakdown of the number of employees by segment and by region at 31 December 2025 and 2024:

<i>(number)</i>	2025	2024
Truck	18,430	18,326
Bus	6,556	5,874
Powertrain	7,612	7,817
Other Activities	224	219
Total Industrial Activities	32,822	32,236
Financial Services	503	538
Total Continuing Operations	33,325	32,774
Discontinued Operations	2,128	3,272
Total	35,453	36,046

<i>(number)</i>	2025	2024
Europe	28,479	27,987
South America	3,835	3,735
North America	55	61
Rest of World	956	991
Total Continuing Operations	33,325	32,774

As of 31 December 2025, Iveco Group had 35,453 employees, a decrease of 593 from the 36,046 employees at year-end 2024. The change was mainly attributable to the difference between new hires (approximately 3,000) and departures (approximately 2,400) during the year. A further decrease of approximately 1,200 employees was mainly due to changes in the scope of operations related to the sale of the Fire Fighting business, partially offset by the impact of personnel insourcing of the Industrial Security staff from Stellantis.

Excluding the changes in the scope of operations, the workforce increase compared to year-end 2024 was attributable in particular to the workforce growth in Bus manufacturing plants, primarily in Annonay and Vysoke Myto, driven by volume increase, mainly to support the production and sales of vehicles meeting the energy transition requirements and the demand for sustainable mobility, as well as in Defence, whose business growing, in terms of both turnover and results, has led to an upward adjustment of the personnel involving all departments.

For 2026, Iveco Group does not expect any significant change in its overall workforce compared to 2025, excluding the already announced exit from the scope of operations of the Defence business.

COLLECTIVE BARGAINING

At global level more than 94.7% of the Iveco Group employees are covered by collective labour agreements (CLAs) stipulated either by an Iveco Group subsidiary or by the employer association for the specific industry which the Iveco Group subsidiary belongs to.

In Italy, approximately 14,100 Iveco Group employees, except Managers, are covered by the CLA that was renewed in March 2023 and in force until 31 December 2026 for the regulatory part. In June 2025, the economic part of the CLA was renewed, setting the contractual increases to be applied in 2025 and 2026.

The approximately 350 Iveco Group Managers in Italy are covered by the CLA that, renewed in April 2023, continues until 31 December 2026.

OPERATING AND FINANCIAL REVIEW

OVERVIEW

The Group is a leading automotive company engaged in the design, production, marketing, sale, servicing, and financing of trucks, commercial vehicles, buses and specialty vehicles, defense and civil protection, as well as combustion engines, alternative propulsion systems, transmissions and axles for those vehicles and engines and alternative propulsion systems for agricultural and construction equipment and for marine and power generation applications. The Group has manufacturing, commercial and financial services companies located in 33 countries.

The Group's reportable segments consist of: (i) Truck, (ii) Bus, (iii) Powertrain, and (iv) Financial Services. The Group's Industrial Activities include the Group's entire enterprise without Financial Services (i.e., Truck, Bus, Powertrain, and Iveco Group N.V., including the treasury operations). The Group generates revenues and cash flows principally from the sale of vehicles to dealers and distributors and engines to third parties. Financial Services provides a range of financial products and services focused on financing the sale and lease of vehicles to the Group's dealers and their customers. These operations are reported as Continuing Operations. As previously mentioned and better described below, Defence business is now reported as Discontinued Operations. In 2024, also Fire Fighting business was reported as Discontinued Operations.

Revenues of Industrial Activities are presented net of discounts, allowances, settlement discounts and rebates, as well as costs for sales incentive programs, determined on the basis of historical costs, country by country, and charged against profit for the period in which the corresponding sales are recognised. The Group's sales incentive programs may include the granting of retail financing at discounts to market interest rates. The corresponding cost to Industrial Activities is recognised at the time of the initial sale and the revenues of Financial Services are recognised on a pro rata basis in order to match the cost of funding.

The results presented in this report are prepared in accordance with EU-IFRS and use the euro as the presentation currency.

Unless otherwise stated, the figures and comments included in the Operating and financial review sections below refer to Continuing Operations, only.

ALTERNATIVE PERFORMANCE MEASURES (OR "NON-EU-IFRS FINANCIAL MEASURES")

Iveco Group monitors its operations through the use of several non-EU-IFRS financial measures including Adjusted EBIT, Adjusted EBIT margin, Adjusted Net Income/(Loss), Adjusted Diluted EPS, Adjusted Income Taxes, Adjusted Effective Tax Rate, Free Cash Flow of Industrial Activities, Net Cash (Debt) and Net Cash (Debt) of Industrial Activities, and Available Liquidity. Iveco Group's management believes those measures provide useful and relevant information regarding Iveco Group's operating results and enhance the readers' ability to assess Iveco Group's financial performance and financial position. Management uses these non-EU-IFRS financial measures to monitor the underlying performance of Iveco Group's business and operations to identify operational trends, as well as to make decisions regarding future spending, resource allocations and other operational decisions as they provide additional transparency with respect to Iveco Group's core operations. These non-EU-IFRS financial measures have no standardised meaning under EU-IFRS and are unlikely to be comparable to other similarly titled measures used by other companies and are not intended to be substitutes for measures of financial performance and financial position as prepared in accordance with EU-IFRS.

As of 31 December 2025, Iveco Group's non-EU-IFRS financial measures are defined as follows:

- Adjusted EBIT: is defined as EBIT before restructuring costs and non-recurring items, if any. In particular, non-recurring items are specifically disclosed items that management considers rare or discrete events that are infrequent in nature and not reflective of on-going operational activities. The performance of Iveco Group is reviewed based on the Adjusted EBIT, which the management believes more fully reflects Iveco Group's profitability, and, as such, Iveco Group uses Adjusted EBIT for internal reporting to assess performance as part of the forecasting, budgeting and decision-making process as it provides additional transparency regarding Iveco Group's underlying operating performance. The management believes Adjusted EBIT is useful because it excludes items that management believes are not indicative of Iveco Group's underlying operating performance between periods. The management also believes that Adjusted EBIT is useful for investors and analysts to better understand how management assesses Iveco Group's underlying operating performance on a consistent basis. Accordingly, Iveco Group believes that Adjusted EBIT provides useful information to third party stakeholders in understanding and evaluating Group's operations;
- Adjusted EBIT margin: is computed by dividing a) Adjusted EBIT by b) Net revenues;
- Adjusted Net Income/(Loss): is defined as profit/(loss) for the period, before restructuring costs and non-recurring items, if any, net of the related income tax effect. In particular, non-recurring items are specifically disclosed items that management considers rare or discrete events that are infrequent in nature and not reflective of ongoing operational activities. Iveco Group uses Adjusted Net Income/(Loss) to assess performance as part of its decision-making process as it provides additional insight into Iveco Group's underlying overall performance, net of income tax. The management believes that Adjusted Net Income/(Loss) is also useful for investors and analysts to better understand how management assesses Iveco Group's underlying overall performance on a consistent basis. Accordingly, Iveco Group believes that Adjusted Net Income/(Loss) provides useful information to third party stakeholders in understanding and evaluating Group's operations;

- Adjusted Diluted EPS: is computed by dividing Adjusted Net Income /(Loss) attributable to Iveco Group N.V. by a weighted-average number of Common Shares outstanding during the period that takes into consideration potential Common Shares outstanding deriving from the Iveco Group share-based payment awards, when inclusion is not anti-dilutive. When Iveco Group provides guidance for adjusted diluted EPS, the Group does not provide guidance on an earnings per share basis because the EU-IFRS measure will include potentially significant items that have not yet occurred and are difficult to predict with reasonable certainty prior to year-end;
- Adjusted Income Taxes: is defined as income taxes less the tax effect of restructuring expenses and non-recurring items, and non-recurring tax charges or benefits;
- Adjusted Effective Tax Rate (Adjusted ETR): is computed by dividing a) Adjusted Income Tax (expense) benefit by b) Adjusted Profit (Loss) before taxes. Adjusted Income Tax (expense) benefit represents income tax (expense) benefit, adjusted for the income tax (expense) benefit of restructuring costs and non-recurring items, if any, as well as any non-recurring tax expenses or benefits. Adjusted Profit/(Loss) before taxes represents profit/(loss) before taxes of the applicable period, adjusted for restructuring costs and non-recurring items, if any. Adjusted ETR fully reflects Iveco Group's level of taxation, based on Group's Profit/(Loss) before taxes, removing extraordinary and non-recurring items. The management believes that this is useful for investors and analysts to better understand Iveco Group's level of taxation on a consistent basis and enables them to compare Iveco Group's level of taxation with that of other companies;
- Free Cash Flow of Industrial Activities (or Industrial Free Cash Flow): refers to Industrial Activities, only, and is computed as consolidated cash flow from operating activities less: cash flow from operating activities of Financial Services; investments of Industrial Activities in property, plant and equipment and intangible assets; as well as other changes and intersegment eliminations. Iveco Group views Free Cash Flow as a useful measure for measuring its cash generation ability;
- Net Cash (Debt) and Net Cash (Debt) of Industrial Activities: Net Cash (Debt) is defined as total Debt (including debt payable to CNH deriving from financing activities and sale of trade receivables) plus Derivative liabilities, net of Cash and cash equivalents, Derivative assets and other current financial assets (primarily current securities, short-term deposits and investments towards high-credit rating counterparties) and financial receivables from CNH deriving from financing activities and sale of trade receivables. Iveco Group provides the reconciliation of Net Cash (Debt) to Total (Debt), which is the most directly comparable EU-IFRS financial measure included in the Group's Consolidated Statement of Financial Position. Due to different sources of cash flows used for the repayment of the debt between Industrial Activities and Financial Services (by cash from operations for Industrial Activities and by collection of financing receivables for Financial Services), management separately evaluates the cash flow performance of Industrial Activities using Net Cash (Debt) of Industrial Activities; and
- Available Liquidity: is defined as cash and cash equivalents, including restricted cash, undrawn medium-term unsecured committed facilities, other current financial assets (primarily current securities, short-term deposits and investments towards high-credit rating counterparties), and financial receivables from CNH deriving from financing activities and sale of trade receivables.

RESULTS OF OPERATIONS

The operations, and key financial measures and financial analysis, differ significantly for manufacturing and distribution businesses and financial services business; therefore, for a better understanding of its operations and financial results, the Company presents the following tables providing the Consolidated Income Statement of Iveco Group split between Industrial Activities and Financial Services. Industrial Activities represents the activities carried out by Truck, Bus and Powertrain Business Units, as well as the holding company Iveco Group N.V., that also provides centralized treasury services, and Defence Business Unit (classified as Discontinued Operations). In 2024, Industrial Activities also included Fire Fighting Business Unit (classified as Discontinued Operations).

Discontinued Operations - Defence Business

On 30 July 2025, Iveco Group announced the signing of a definitive agreement to sell its Defence business (IDV and ASTRA brands) to Leonardo S.p.A., for an enterprise value of €1.7 billion. The transaction is expected to be complete no later than 31 March 2026. The corporate carve out of the Defence business was completed in 2025 and the required regulatory approval processes are in progress as expected. Furthermore, in the context of the Merger Agreement with Tata Motors, for the event that completion of the sale of the Defence business to Leonardo S.p.A. does not occur prior to or on 31 March 2026, Iveco Group N.V. announced it would have taken all actions necessary to complete its spin-off through a statutory demerger, which would transfer the business into a company, newly incorporated under Dutch law. Therefore, an Extraordinary General Meeting was convened to resolve on 25 March 2026 also upon the demerger, in accordance with the demerger proposal between the Company and IDV Group N.V. dated 11 February 2026, to become effective on the day following the execution of the notarial deed of demerger. The Board of Directors reserved the right to remove this item from the agenda of the Extraordinary General Meeting in case it becomes evident prior to the Extraordinary General Meeting that the sale of the Defence business to Leonardo S.p.A. has been completed or will be completed. In accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*, as the sale became highly probable in July 2025, the Defence business met the criteria to be classified as a disposal group held for sale; it also met the criteria to be classified as Discontinued Operations. In accordance with applicable accounting standards, the figures in the Income Statement and Statement of Cash Flows for 2024 comparative periods have been recast consistently.

Discontinued Operations - Fire Fighting Business

On 3 January 2025 Iveco Group completed the transfer of ownership of Magirus GmbH and its affiliates performing the Fire Fighting business. Starting with the first quarter of 2024 and during the same year, according to IFRS 5, the Fire Fighting business was classified as a disposal group held for sale and as Discontinued Operations.

See the Notes to the Consolidated Financial Statements, paragraph "Discontinued Operations - Defence Business" and "Discontinued Operations - Fire Fighting Business" for additional details.

Consolidated Income Statement by Activity

(€ million)	2025				2024			
	Industrial Activities ⁽¹⁾	Financial Services	Eliminations	Consolidated	Industrial Activities ⁽¹⁾	Financial Services	Eliminations	Consolidated
Net revenues	13,129	436	(137) ⁽²⁾	13,428	14,064	558	(205) ⁽²⁾	14,417
Cost of sales	11,203	262	(137) ⁽³⁾	11,328	11,824	353	(205) ⁽³⁾	11,972
Selling, general and administrative costs	780	77	—	857	834	92	—	926
Research and development costs	559	—	—	559	589	—	—	589
Result from investments	5	33	—	38	(2)	20	—	18
Gains/(losses) on the disposal of investments	2	—	—	2	1	—	—	1
Restructuring costs	10	—	—	10	22	2	—	24
Other income	24	2	—	26	39	4	—	43
Other expenses	199	3	—	202	233	6	—	239
EBIT	409	129	—	538	600	129	—	729
Net financial income/(expenses)	(222)	—	—	(222)	(192)	—	—	(192)
Financial income	115	—	—	115	105	—	—	105
Financial expenses	337	—	—	337	297	—	—	297
PROFIT/(LOSS) BEFORE TAXES	187	129	—	316	408	129	—	537
Income tax (expense) benefit	(51)	(31)	—	(82)	(14)	(34)	—	(48)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	136	98	—	234	394	95	—	489
Post-tax profit of Discontinued Operations - Defence Business ⁽⁴⁾	64	—	—	64	49	—	—	49
Post-tax loss of Discontinued Operations - Fire Fighting Business	—	—	—	—	(42)	—	—	(42)
Post-tax loss on the measurement to fair value less costs to sell of Discontinued Operations - Fire Fighting Business ⁽⁵⁾	(9)	—	—	(9)	(144)	—	—	(144)
PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS NET OF TAX	55	—	—	55	(137)	—	—	(137)
PROFIT/(LOSS) FOR THE PERIOD	191	98	—	289	257	95	—	352

(1) Industrial Activities represents the enterprise without Financial Services. Industrial Activities includes Truck, Bus and Powertrain Business Units, as well as the holding company Iveco Group N.V. In the year ended 31 December 2025 and 2024 Industrial Activities also included the Defence Business, classified as Discontinued Operations, furthermore in the year ended 31 December 2024, Industrial Activities also included the Fire Fighting Business, classified as Discontinued Operations.

(2) Elimination of Financial Services' interest income earned from Industrial Activities.

(3) Elimination of Industrial Activities' interest expense to Financial Services.

(4) This item includes the Post-tax profit of Defence Business amounting to €108 million and €49 million in the years ended 31 December 2025 and 2024, respectively. In the year ended 31 December 2025, it also includes €22 million costs, after-tax, for the separation of Defence business from Iveco Group, primarily comprising professional fees for legal, financial and other advisory services, (€25 million before-tax) and €22 million taxes paid in connection with the corporate carve-out of Defence business.

(5) In the year ended 31 December 2025, this item includes a €9 million post-closing adjustment loss on the Fire Fighting transfer.

Net revenues

Net revenues were €13,428 million in 2025 (€14,417 million in 2024). Net revenues of Industrial Activities were €13,129 million in 2025, compared to €14,064 million in 2024, mainly due to lower volumes in Europe for Truck and Powertrain and an adverse foreign exchange rate impact.

Cost of sales

Cost of sales was €11,328 million in 2025 compared to €11,972 million in 2024.

Selling, general and administrative costs

Selling, general and administrative costs amounted to €857 million in 2025 compared to €926 million in 2024.

Research and development costs

In 2025, R&D costs were €559 million (compared to €589 million in 2024) and included all R&D costs not recognised as assets in the year amounting to €227 million (€318 million in 2024), €5 million of impairment losses (nil in 2024), and the amortisation of capitalised development cost of €327 million (€271 million in 2024). During 2025, the Group capitalised new expenditures for development costs for €445 million (€460 million in 2024). The costs in both periods were primarily attributable to spending on engine development associated with emission requirements and continued investment in new products.

Result from investments

Result from investments was a gain of €38 million in 2025 and a gain of €18 million in 2024. In 2025, Result from investments included the gain of €12 million from the sale of GATE majority interest.

Gains/(losses) on the disposal of investments

Gains/(losses) on the disposal of investments was a gain of €2 million in 2025 (€1 million in 2024).

Restructuring costs

Restructuring costs were €10 million and €24 million in 2025 and 2024, respectively.

Other income

Other income totalled €26 million in 2025 compared to €43 million in 2024.

Other expenses

Other expenses were €202 million in 2025 compared to €239 million in 2024. In 2025, Other expenses also included Merger Agreement transactions costs amounting to €22 million incurred in connection with the agreement with Tata Motors. In 2024, Other expenses primarily included €96 million for actions related to EPA/CARB newly-introduced post-sale in field verification program on North American market. In both periods, this item also included legal cost and indirect taxes.

Net financial income/(expenses)

Net financial expenses were €222 million in 2025 compared to €192 million in 2024 which included a positive impact of the Argentinian hyperinflation accounting (no longer applicable in this country starting from 1 January 2025).

Income tax (expense) benefit

(€ million, except percentages)	2025	2024
Profit/(loss) before taxes	316	537
Income tax (expense) benefit	(82)	(48)
Effective tax rate	25.9 %	8.9 %

In 2025, income tax expenses were €82 million, based on a profit before taxes of €316 million, compared to tax expenses of €48 million in 2024, based on a profit before taxes of €537 million. The effective tax rates for 2025 and 2024 were 25.9% and 8.9%, respectively. Excluding €80 million costs related to certain claims arising from the EU Commission's 2016 antitrust settlement decision issued on 19 July 2016, €22 million related to transaction costs in connection with the Merger Agreement with Tata Motors, €12 million gain from the sale of GATE majority interest, restructuring costs, the €7 million impact from the tax rate change in Germany, as well as other minor items, the effective tax rate was 26% in 2025. Excluding €96 million costs for actions related to EPA/CARB newly-introduced post-sale in field verification program on North American market, €20 million related to the Chinese reorganisation of operations, €20 million cost related to certain claims arising from the EU Commission's 2016 antitrust settlement, €94 million income related to the recognition of German deferred tax assets, restructuring costs, separation costs from CNH Industrial, as well as other minor items, the effective tax rate was 26% in 2024.

Profit/(loss) from Continuing Operations

Profit from Continuing Operations was €234 million in 2025 compared to a net profit of €489 million in 2024, mainly driven by lower volumes and unfavorable product cost, partially offset by cost containment actions in selling, general and administrative expenses.

Profit/(loss) from Discontinued Operations net of tax

Net profit generated by Discontinued Operations was €55 million in 2025, compared to a net loss of €137 million in 2024 which included a net loss of €186 million from Fire Fighting business.

Profit/(loss) for the period

Profit for the period was €289 million in 2025, a decrease of €63 million compared to 2024.

Reconciliation of Profit/(Loss) from Continuing Operations to Adjusted net profit/(loss) from Continuing Operations

The following tables summarize the reconciliation of Adjusted net profit/(loss), a non-IFRS financial measure, to Profit/(loss), the most comparable EU-IFRS financial measure, for 2025 and 2024.

<i>(€ million)</i>	2025	2024
Profit/(loss) from Continuing Operations	234	489
Adjustments impacting Profit/(loss) before income tax (expense) benefit from Continuing Operations (a)	108	163
Adjustments impacting Income tax (expense) benefit from Continuing Operations (b)	(29)	(132)
Adjusted net profit/(loss) from Continuing Operations	313	520
Adjusted net profit/(loss) attributable to Iveco Group N.V. from Continuing Operations	313	517
Weighted average shares outstanding – diluted (million)	268	271
Adjusted diluted EPS from Continuing Operations (€)	1.17	1.91
Profit/(loss) before income tax (expense) benefit from Continuing Operations	316	537
Adjustments impacting Profit/(loss) before income tax (expense) benefit from Continuing Operations (a)	108	163
Adjusted profit/(loss) before income tax (expense) benefit from Continuing Operations (A)	424	700
Income tax (expense) benefit from Continuing Operations	(82)	(48)
Adjustments impacting Income tax (expense) benefit from Continuing Operations (b)	(29)	(132)
Adjusted Income tax (expense) benefit from Continuing Operations (B)	(111)	(180)
Adjusted Effective Tax Rate (Adjusted ETR) (C=A/B) from Continuing Operations	26 %	26 %
a) Adjustments impacting Profit/(loss) before income tax (expense) benefit from Continuing Operations		
Restructuring costs	10	24
Costs related to certain claims arising from the EU Commission's 2016 antitrust settlement decision announced on 19 July 2016	80	20
Transaction costs in connection with the Merger Agreement with Tata Motors	22	—
Costs for actions related to EPA/CARB newly-introduced post-sale in field verification program on North American market	—	96
Gain from the sale of GATE majority interest	(12)	—
Chinese operations reorganisation	—	20
Costs in connection with the spin-off of Iveco Group from CNH Industrial	—	5
Other	8	(2)
Total	108	163
b) Adjustments impacting Income tax (expense) benefit from Continuing Operations		
Tax effect of adjustments impacting Profit/(loss) before income tax (expense) benefit	(29)	(38)
Tax rate change in Germany	7	—
Release of valuation allowance on German deferred tax assets	—	(94)
Other	(7)	—
Total	(29)	(132)

Industrial Activities and Business Segments - Continuing Operations

The following tables show total Net Revenues and Adjusted EBIT of Industrial Activities by segment. A discussion of the results of Industrial Activities and of its business segments is also included.

Net revenues by business segment

<i>(€ million, except percentages)</i>	2025	2024	% Change
Net revenues:			
Truck	8,873	9,981	-11.1
Bus	2,948	2,561	15.1
Powertrain	3,330	3,546	-6.1
Eliminations and other	(2,022)	(2,024)	—
Total Net revenues of Industrial Activities	13,129	14,064	-6.6
Financial Services	436	558	-21.9
Eliminations and other	(137)	(205)	—
Total Net revenues	13,428	14,417	-6.9

Adjusted EBIT by business segment

<i>(€ million, except percentages)</i>	2025	2024	Change	2025 Adj. EBIT Margin	2024 Adj. EBIT Margin
Adjusted EBIT:					
Truck	325	560	-235	3.7 %	5.6 %
Bus	144	140	4	4.9 %	5.5 %
Powertrain	224	221	3	6.7 %	6.2 %
Unallocated items, eliminations and other	(164)	(160)	-4	—	—
Adjusted EBIT of Industrial Activities	529	761	-232	4.0 %	5.4 %
Financial Services	117	131	-14	26.8 %	23.5 %
Eliminations and Other	—	—	—	—	—
Total Adjusted EBIT	646	892	-246	4.8 %	6.2 %

Net revenues of Industrial Activities were €13,129 million in 2025, compared to €14,064 million in 2024, mainly due to lower volumes in Europe for Truck and Powertrain and an adverse foreign exchange rate impact.

Adjusted EBIT of Industrial Activities was €529 million, compared to €761 million in 2024, representing an Adjusted EBIT margin of 4.0%, down 140 basis points (bps) compared to 2024, mainly driven by lower volumes and unfavorable product cost in Truck and Bus, partially offset by cost containment actions in selling, general and administrative expenses.

Reconciliation of EBIT to Adjusted EBIT

The following tables summarize the reconciliation of Adjusted EBIT, a non-EU-IFRS financial measure, to EBIT, the most comparable EU-IFRS financial measure, for 2025 and 2024.

								2025
(€ million)	Truck	Bus	Powertrain	Unallocated items, eliminations and other	Total Industrial Activities	Financial Services	Eliminations	Total
EBIT	316	143	220	(270)	409	129	—	538
Adjustments								
Restructuring costs	7	1	2	—	10	—	—	10
Other discrete items ⁽¹⁾	2	—	2	106	110	(12)	—	98
Adjusted EBIT	325	144	224	(164)	529	117	—	646

(1) This item mainly includes €80 million costs related to certain claims arising from the EU Commission's 2016 antitrust settlement decision announced on 19 July 2016, €22 million transaction costs in connection with the Merger Agreement with Tata Motors, and €12 million gain from sale of GATE majority interest.

								2024
(€ million)	Truck	Bus	Powertrain	Unallocated items, eliminations and other	Total Industrial Activities	Financial Services	Eliminations	Total
EBIT	546	138	216	(300)	600	129	—	729
Adjustments								
Restructuring costs	14	2	5	1	22	2	—	24
Other discrete items ⁽¹⁾	—	—	—	139	139	—	—	139
Adjusted EBIT	560	140	221	(160)	761	131	—	892

(1) This item mainly includes €96 million costs for actions related to EPA/CARB newly-introduced post-sale in field verification program on North America market, €20 million costs related to certain claims arising from the EU Commission's 2016 antitrust settlement decision issued on 19 July 2016, €20 million related to the reorganisation of the Chinese operations, as well as €5 million separation costs related to the spin-off of the Iveco Group business from CNH Industrial.

Industrial Activities Performance - Continuing Operations

Truck

Net revenues

The following table shows Truck's net revenues by geographic region in 2025 compared to 2024:

(€ million)	2025	2024	% change
Europe	6,474	7,429	-12.9
South America	1,281	1,273	0.6
Rest of World	1,118	1,279	-12.6
Total	8,873	9,981	-11.1

Truck's net revenues were €8,873 million in 2025, compared to €9,981 million in 2024, mainly due to lower volumes and an adverse foreign exchange rate impact.

In 2025, the European truck market (GVW ≥3.5 tons), excluding UK and Ireland, decreased 9% compared to 2024. The light-duty trucks (LCV) market decreased 9%, and the medium and heavy trucks (M&H) market decreased by 7%. In South America, new truck registrations (GVW ≥3.5 tons) increased 2% compared to 2024, with an increase of 41% in Argentina and a decrease of 3% in Brazil. In Rest of World, new truck registrations decreased 5% compared with 2024.

Iveco Group's estimated market share in the European truck market (GVW ≥3.5 tons), excluding UK and Ireland, was 10.7%, down 1.0 percentage points ("p.p.") compared with 2024. The European market share decreased 1.2 p.p. to 11.9% in LCV and decreased 0.7 p.p. to 8.2% in M&H segment. In South America, in 2025, Iveco Group's market share increased 1.0 p.p. to 11.8%.

During 2025, Truck delivered approximately 125,300 vehicles, representing a 14% decrease from 2024. Volumes were 18% and 7% lower in LCV and M&H truck segments, respectively. Truck deliveries decreased 21% in Europe and 6% in Rest of World, and increased 16% in South America.

Truck deliveries

(units in thousands)	2025	2024	% Change
France	14.3	16.6	-14.1%
Germany & Switzerland	14.1	16.7	-15.5%
UK	5.4	9.5	-42.8%
Italy	19.8	25.9	-23.4%
Iberia (Spain & Portugal)	13.2	13.0	1.3%
Rest of Europe	20.4	28.1	-27.3%
Europe	87.2	109.8	-20.6%
South America	20.7	17.8	16.3%
Rest of World	17.3	18.5	-6.2%
Total	125.3	146.1	-14.3%

Truck deliveries– by product:

(units in thousands)	2025	2024	% Change
Medium & Heavy	41.6	44.5	-6.5%
Light	83.7	101.6	-17.6%
Total	125.3	146.1	-14.3%

Adjusted EBIT

Adjusted EBIT was €325 million in 2025 compared to €560 million in 2024, with cost containment actions partially offsetting lower volumes and mix and negative fixed cost absorption. The Adjusted EBIT margin was 3.7% in 2025 (5.6% in 2024).

Bus

Net revenues

The following table shows Bus' net revenues by geographic region in 2025 compared to 2024:

<i>(€ million)</i>	2025	2024	% change
Europe	2,652	2,295	15.6
South America	217	225	-3.6
Rest of World	79	41	92.7
Total	2,948	2,561	15.1

Bus' net revenues were €2,948 million in 2025, up 15% compared to 2024, driven by higher volumes.

Bus registrations increased 9% in Europe and 12% in South America.

During 2025, Bus delivered approximately 14,000 vehicles, representing a 4% increase from 2024. Bus deliveries increased 4%, 2% and 19% in Europe, South America and Rest of World, respectively.

Bus deliveries

<i>(units in thousands)</i>	2025	2024	% Change
France	3.0	2.9	3.4%
Germany & Switzerland	0.8	0.5	60.0%
UK	0.1	0.1	—%
Italy	2.6	2.5	4.0%
Iberia (Spain & Portugal)	0.8	0.9	-11.1%
Rest of Europe	2.6	2.6	0.6%
Europe	9.9	9.5	4.4%
South America	3.5	3.5	1.7%
Rest of World	0.6	0.5	19.2%
Total	14.0	13.4	4.2%

Adjusted EBIT

Adjusted EBIT was €144 million in 2025, an increase of €4 million compared to 2024, driven by higher volumes and positive price realization, substantially offset by higher costs associated with the ramp-up of production in the Annonay plant. The Adjusted EBIT margin was 4.9% in 2025 (5.5% in 2024).

Powertrain

Net revenues

Powertrain's net revenues were €3,330 million in 2025, compared to €3,546 million in 2024, due to lower volumes. Sales to external customers accounted for 47%, in line with 2024.

During 2025, Powertrain sold approximately 338,900 engines, a decrease of 7% compared to 2024. In terms of customers, 44% of engines were supplied to Iveco Group industrial business units and 56% to external customers. Additionally, Powertrain delivered approximately 43,800 transmissions, down 24% compared to 2024, and approximately 158,800 axles, a decrease of 16% compared to 2024. Powertrain sold approximately 10,800 E-Powertrain units (of which 2,700 E-axles and 8,100 batteries).

Adjusted EBIT

Adjusted EBIT was €224 million in 2025, up €3 million compared to 2024, with Adjusted EBIT margin was 6.7%, up 50 bps compared to 2024, driven by continued and diligent costs control and operating efficiency, and a recovery of engines volumes in the second part of the year.

Financial Services Performance

<i>(€ million, except percentages)</i>	2025	2024	Change
Net revenues	436	558	-21.9%
Adjusted EBIT	117	131	-14

Net revenues

Financial Services reported net revenues of €436 million in 2025 compared to €558 million in 2024, mainly driven by lower base rates and lower wholesale receivables portfolio.

Adjusted EBIT

Adjusted EBIT was €117 million in 2025 compared to €131 million in 2024, primarily resulting from lower wholesale receivables portfolio.

In 2025, retail loan originations (including unconsolidated joint ventures) were €1,779 million, down €164 million compared to 2024.

The Iveco Group managed portfolio (including unconsolidated joint ventures) was €8,101 million at the end of the year (of which retail was 42% and wholesale 58%), down €242 million compared to 31 December 2024.

At 31 December 2025, the receivable balance greater than 30 days past-due as a percentage of on-book portfolio was 1.9%, in line with 31 December 2024.

Industrial Activities Performance - Discontinued Operations

Defence

Net revenues

The following table shows Defence's net revenues by geographic region in 2025 compared to 2024:

<i>(€ million)</i>	2025	2024	% change
Europe	982	834	17.7
South America	62	80	-22.5
North America	114	139	-18.0
Rest of World	210	96	118.8
Total	1,368	1,149	19.1

Defence' net revenues were €1,368 million in 2025, up 19.1% compared to 2024, driven by higher volumes and positive mix.

Defence delivered approximately 4,400 vehicles, representing a 15% increase from 2024. Defence deliveries increased 11% and 33% in Europe and Rest of World, respectively, decreased 9% in South America, and were flat in North America compared to 2024.

Adjusted EBIT

Adjusted EBIT was €158 million in 2025, an increase of €67 million compared to 2024, resulting from higher volumes, a positive mix and production efficiencies. The Adjusted EBIT margin was 11.5% in 2025 (7.9% in 2024).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION BY ACTIVITY

The operations, and key financial measures and financial analysis, differ significantly for manufacturing and distribution businesses and Financial Services business; therefore, for a better understanding of the financial position of Iveco Group, and in particular of the net cash/debt position, the Company presents the following tables providing the Consolidated Statement of Financial Position of the Group, split between Industrial Activities and Financial Services. Specific comments on the net cash/debt position of Iveco Group split by Industrial Activities and Financial Services are included in section "Liquidity and Capital Resources".

(€ million)	At 31 December 2025				At 31 December 2024			
	Industrial Activities ⁽¹⁾	Financial Services	Eliminations	Consolidated	Industrial Activities ⁽¹⁾	Financial Services	Eliminations	Consolidated
ASSETS								
Intangible assets	2,072	15	—	2,087	2,018	21	—	2,039
Property, plant and equipment	3,026	2	—	3,028	3,145	2	—	3,147
Investments and other non-current financial assets:	97	182	—	279	71	152	—	223
Investments accounted for using the equity method	20	182	—	202	19	152	—	171
Equity investments measured at fair value through other comprehensive income	9	—	—	9	10	—	—	10
Other investments and non-current financial assets	68	—	—	68	42	—	—	42
Leased assets	16	78	—	94	14	79	—	93
Defined benefit plan assets	52	—	—	52	36	—	—	36
Deferred tax assets	587	58	(1) (7)	644	700	75	(1) (7)	774
Total Non-current assets	5,850	335	(1)	6,184	5,984	329	(1)	6,312
Inventories	2,508	1	—	2,509	2,870	1	—	2,871
Trade receivables	332	35	(31) (4)	336	406	23	(24) (4)	405
Receivables from financing activities	726	5,433	(1,328) (4)	4,831	778	5,842	(1,435) (4)	5,185
Current tax receivables	151	26	(35) (5)	142	159	7	(33) (5)	133
Other current receivables and financial assets	368	159	(30) (3)	497	372	113	(15) (3)	470
Prepaid expenses and other assets	170	1	—	171	119	2	—	121
Derivative assets	16	—	(2) (6)	14	25	2	(4) (6)	23
Cash and cash equivalents	2,795	158	—	2,953	3,326	187	—	3,513
Total Current assets	7,066	5,813	(1,426)	11,453	8,055	6,177	(1,511)	12,721
Assets held for sale - Discontinued Operations ⁽²⁾	1,237	—	(16) (8)	1,221	399	—	—	399
Assets held for sale - other	5	—	—	5	5	—	—	5
TOTAL ASSETS	14,158	6,148	(1,443)	18,863	14,443	6,506	(1,512)	19,437
EQUITY AND LIABILITIES								
Total Equity	2,014	805	—	2,819	1,923	846	—	2,769
Provisions:	1,884	97	—	1,981	2,414	101	—	2,515
Employee benefits	385	12	—	397	451	15	—	466
Other provisions	1,499	85	—	1,584	1,963	86	—	2,049
Debt:	2,239	5,150	(1,328) (4)	6,061	2,271	5,470	(1,435) (4)	6,306
Asset-backed financing	—	3,166	—	3,166	—	3,558	—	3,558
Other debt	2,239	1,984	(1,328) (4)	2,895	2,271	1,912	(1,435) (4)	2,748
Derivative liabilities	21	2	(2) (6)	21	63	2	(4) (6)	61
Trade payables	3,751	31	(29) (4)	3,753	3,945	34	(23) (4)	3,956
Tax liabilities	66	33	(36) (5)	63	95	23	(33) (5)	85
Deferred tax liabilities	35	—	(2) (7)	33	49	—	(1) (7)	48
Other liabilities	3,224	30	(30) (3)	3,224	3,420	30	(16) (3)	3,434
Liabilities held for sale - Discontinued Operations ⁽²⁾	924	—	(16) (8)	908	263	—	—	263
Total Liabilities	12,144	5,343	(1,443)	16,044	12,520	5,660	(1,512)	16,668
TOTAL EQUITY AND LIABILITIES	14,158	6,148	(1,443)	18,863	14,443	6,506	(1,512)	19,437

(1) Industrial Activities represents the enterprise without Financial Services. Industrial Activities includes Truck, Bus and Powertrain Business Units, as well as the holding company Iveco Group N.V. and the Defence Business (classified as Discontinued Operations in 2025) and Fire Fighting Business (classified as Discontinued Operations in 2024).

(2) At 31 December 2024, Assets held for sale - Discontinued Operations and Liabilities held for sale - Discontinued Operations include the assets and the liabilities, respectively, of the Defence business classified as a disposal group held for sale and as Discontinued Operations. At 31 December 2024, these items included the assets and the liabilities, respectively, of the Fire Fighting business classified as a disposal group held for sale and as Discontinued Operations.

(3) This item includes the elimination of intercompany activity between Industrial Activities and Financial Services.

(4) This item includes the elimination of receivables/payables between Industrial Activities and Financial Services.

- (5) This item includes the elimination of tax receivables/payables between Industrial Activities and Financial Services and reclassifications needed for appropriate consolidated presentation.*
- (6) This item includes the elimination of derivative assets/liabilities between Industrial Activities and Financial Services.*
- (7) This item includes the reclassification of deferred tax assets/liabilities in the same jurisdiction and reclassifications needed for appropriate consolidated presentation.*
- (8) This item includes the elimination of intercompany transactions between Discontinued Operations and Financial Services.*

LIQUIDITY AND CAPITAL RESOURCES

The following discussion of liquidity and capital resources primarily focuses on the Group's Consolidated Statement of Cash Flows and the Group's Consolidated Statement of Financial Position. The Group's operations are capital intensive and subject to seasonal variations in financing requirements for dealer receivables and dealer and company inventories. Whenever necessary, funds from operating activities are supplemented from external sources. Iveco Group, focusing on cash preservation and leveraging its good access to funding, continues to maintain solid financial strength and liquidity. See sections "Risk Factors" and "Industry Overview", for additional information concerning risks related to the Group's business, strategy and operations.

Cash Flow Analysis

The following tables present the cash flows from operating, investing and financing activities by activity for the years ended 31 December 2025 and 2024.

(€ million)	Industrial Activities ⁽¹⁾	Financial Services	Eliminations	Consolidated
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	3,326	187	—	3,513
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:				
Profit/(loss) from Continuing Operations for the year	136	98	—	234
Amortisation and depreciation (excluding assets sold under buy-back commitments and operating leases) ^{(a)(b)}	732	4	—	736
(Gains)/losses on disposal of non-current assets (excluding assets sold under buy-back commitments) ^(a)	(2)	—	—	(2)
Other non-cash items	1	(11)	—	(10)
Dividends received	157	—	(142) ⁽²⁾	15
Change in provisions	(350)	(1)	—	(351)
Change in deferred income taxes	62	14	—	76
Change in items due to buy-back commitments ^(a)	(31)	(8)	—	(39)
Change in operating lease items ^(b)	(2)	(28)	—	(30)
Change in trade receivables	131	(16)	12 ⁽³⁾	127
Change in inventories	(199)	—	—	(199)
Change in trade payables	27	1	(11) ⁽³⁾	17
Change in other receivables/payables	82	(50)	(1) ⁽³⁾	31
Change in receivables from financing activities ^(c)	—	346	—	346
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM CONTINUING OPERATIONS	744	349	(142)	951
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM DEFENCE BUSINESS	159	—	—	159
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM DISCONTINUED OPERATIONS	159	—	—	159
TOTAL	903	349	(142)	1,110
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:				
Investments in:				
Property, plant and equipment and intangible assets (excluding assets sold under buy-back commitments and operating leases) ^{(a)(b)}	(772)	(3)	—	(775)
Consolidated subsidiaries and other equity investments	(12)	—	12 ⁽⁴⁾	—
Proceeds from the sale of non-current assets (excluding assets sold under buy-back commitments) ^(a)	4	(3)	—	1
Net (cash used in)/proceeds from other current and non-current financial assets	66	—	—	66
Other changes	(65)	93	—	28
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM CONTINUING OPERATIONS	(779)	87	12	(680)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM DEFENCE BUSINESS	25	—	—	25
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM DISCONTINUED OPERATIONS	25	—	—	25
TOTAL	(754)	87	12	(655)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:				
Change in debt and derivative assets/liabilities	(211)	(336)	—	(547)
Capital increase	—	12	(12) ⁽⁴⁾	—
Dividends paid	(88)	(142)	142 ⁽²⁾	(88)
Purchase of ownership interests in subsidiaries	(7)	—	—	(7)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM CONTINUING OPERATIONS	(306)	(466)	130	(642)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM DEFENCE BUSINESS	13	—	—	13
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM DISCONTINUED OPERATIONS	13	—	—	13
TOTAL	(293)	(466)	130	(629)
Translation exchange differences	(52)	1	—	(51)
TOTAL CHANGE IN CASH AND CASH EQUIVALENTS	(196)	(29)	—	(225)
Less: Cash and cash equivalent – included within “Assets held for sale - Discontinued Operations” at end of the year	335	—	—	335
CASH AND CASH EQUIVALENTS OF CONTINUING OPERATIONS AT END OF THE YEAR	2,795	158	—	2,953

(a) Cash generated from the sale of vehicles under buy-back commitments, net of amounts included in Profit/(loss), is recognised in a single line item, which includes capital expenditure, depreciation and impairment losses, and related operating activities changes.

(b) Cash from operating lease is recognised under operating activities in a single line item, which includes capital expenditure, depreciation, write-downs and changes in inventory.

(c) Starting from 2025, changes in receivables from financing activities of Financial Services, previously included in the Cash flows from/(used in) investing activities, have been included in the Cash flows from/(used in) operating activities to improve comparability with Iveco Group peers. Figures for 2024 have been reclassified consistently.

(1) Industrial Activities represents the enterprise without Financial Services. Industrial Activities includes Truck, Bus and Powertrain business units, as well as the holding company Iveco Group N.V., and the Defence Business Unit (classified as Discontinued Operations).

(2) This item includes the elimination of dividends from Financial Services to Industrial Activities.

(3) This item includes the elimination of receivables/payables between Industrial Activities and Financial Services.

(4) This item includes the elimination of paid capital from Industrial Activities to Financial Services.

(€ million)	Industrial Activities ⁽¹⁾	Financial Services	Eliminations	Consolidated
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	2,447	251	—	2,698
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:				
Profit/(loss) from Continuing Operations for the year	394	95	—	489
Amortisation and depreciation (excluding assets sold under buy-back commitments and operating leases) ^{(a)(b)}	653	4	—	657
(Gains)/losses on disposal of non-current assets (excluding assets sold under buy-back commitments) ^(a)	(20)	—	—	(20)
Other non-cash items	7	(8)	—	(1)
Dividends received	136	—	(116) ⁽²⁾	20
Change in provisions	213	(14)	—	199
Change in deferred income taxes	(91)	(4)	—	(95)
Change in items due to buy-back commitments ^(a)	(15)	1	—	(14)
Change in operating lease items ^(b)	(1)	(28)	—	(29)
Change in trade receivables	(116)	10	—	(106)
Change in inventories	(122)	—	—	(122)
Change in trade payables	107	—	—	107
Change in other receivables/payables	3	41	—	44
Change in receivables from financing activities ^(c)	—	527	—	527
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM CONTINUING OPERATIONS	1,148	624	(116)	1,656
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM DEFENCE BUSINESS	183	—	—	183
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM FIRE FIGHTING BUSINESS	(108)	—	—	(108)
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM DISCONTINUED OPERATIONS	75	—	—	75
TOTAL	1,223	624	(116)	1,731
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:				
Investments in:				
Property, plant and equipment and intangible assets (excluding assets sold under buy-back commitments and operating leases) ^{(a)(b)}	(907)	(7)	—	(914)
Consolidated subsidiaries and other equity investments	(7)	—	7 ⁽³⁾	—
Proceeds from the sale of non-current assets (excluding assets sold under buy-back commitments) ^(a)	(8)	(3)	—	(11)
Net (cash used in)/proceeds from other current and non-current financial assets	(21)	—	—	(21)
Other changes	769	(534)	—	235
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM CONTINUING OPERATIONS	(174)	(544)	7	(711)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM DEFENCE BUSINESS	(147)	—	—	(147)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM FIRE FIGHTING BUSINESS	35	—	—	35
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM DISCONTINUED OPERATIONS	(112)	—	—	(112)
TOTAL	(286)	(544)	7	(823)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:				
Change in debt and derivative assets/liabilities	259	(35)	—	224
Capital contributions	(168)	7	(7) ⁽³⁾	(168)
Dividends paid	(91)	(116)	116 ⁽²⁾	(91)
Purchase of treasury shares	(60)	—	—	(60)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM CONTINUING OPERATIONS	(60)	(144)	109	(95)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM DEFENCE BUSINESS	(3)	—	—	(3)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM FIRE FIGHTING BUSINESS	166	—	—	166
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM DISCONTINUED OPERATIONS	163	—	—	163
TOTAL	103	(144)	109	68
Translation exchange differences	(52)	—	—	(52)
TOTAL CHANGE IN CASH AND CASH EQUIVALENTS	988	(64)	—	924
Less: Cash and cash equivalent – included within “Assets held for sale - Discontinued Operations” at end of the year	109	—	—	109
CASH AND CASH EQUIVALENTS OF CONTINUING OPERATIONS AT END OF THE YEAR	3,326	187	—	3,513

- (a) Cash generated from the sale of vehicles under buy-back commitments, net of amounts included in Profit/(loss), is recognised in a single line item, which includes capital expenditure, depreciation and impairment losses, and related operating activities changes.
- (b) Cash from operating lease is recognised under operating activities in a single line item, which includes capital expenditure, depreciation, write-downs and changes in inventory.
- (c) Starting from 2025, changes in receivables from financing activities of Financial Services, previously included in the Cash flows from/(used in) investing activities, have been included in the Cash flows from/(used in) operating activities to improve comparability with Iveco Group peers. Figures for 2024 have been reclassified consistently.
- (1) Industrial Activities represents the enterprise without Financial Services. Industrial Activities includes Truck, Bus, Defence and Powertrain Business Units, as well as the holding company Iveco Group N.V. and the Defence and Fire Fighting business units (both classified as Discontinued Operations).
- (2) This item includes the elimination of dividends from Financial Services to Industrial Activities.
- (3) This item includes the elimination of paid capital from Industrial Activities to Financial Services.

At 31 December 2025, the Group had cash and cash equivalents of €2,953 million (excluding €335 million of cash and cash equivalents of Discontinued Operations included within Assets held for sale at the same date), compared to €3,513 million at 31 December 2024. Cash and cash equivalents at 31 December 2025 included €81 million (€96 million at 31 December 2024) of restricted cash that mainly consists of Central Bank deposits established for regulatory purposes by a subsidiary with a banking license. At 31 December 2025, undrawn medium-term unsecured committed facilities were €1,900 million (€1,900 million at 31 December 2024) and other current financial assets were €3 million at 31 December 2025 (€59 million at 31 December 2024).

At 31 December 2025, the aggregate of cash and cash equivalents, undrawn medium-term unsecured committed facilities and other current financial assets, which the Group considers to constitute the Group's principal liquid assets (or "Available liquidity", a non-EU-IFRS financial measure as defined in the section "Alternative performance measures (or "Non-EU-IFRS financial measures")" above), including Discontinued Operations, totalled €5,192 million at 31 December 2025 (of which €4,693 million related to Continuing Operations) compared to €5,474 million at 31 December 2024. At 31 December 2025, this amount also included €1 million financial receivables (€2 million at 31 December 2024) from CNH deriving from financing activities and the sale of trade receivables.

A reconciliation of consolidated Cash and cash equivalents of Continuing Operations to total Available liquidity (including Discontinued Operations) is provided as follows:

(€ million)	At 31 December 2025	At 31 December 2024 ^(*)
Cash and cash equivalents	2,953	3,513
Financial Payables to Discontinued Operations ⁽¹⁾	(164)	
Undrawn committed facilities	1,900	1,900
Other current financial assets ⁽²⁾	3	59
Financial receivables from CNH ⁽³⁾	1	2
Available liquidity of Continuing Operations	4,693	
Cash and cash equivalents of Discontinued Operations	335	
Financial receivables from Continuing Operations ⁽¹⁾	164	
Available liquidity of Discontinued Operations	499	
Available liquidity	5,192	5,474

(*) Also including Defence Business

(1) At 31 December 2025, Cash and cash equivalents of Continuing Operations included €164 million net balance between cash temporarily deposited by Discontinued Operations (Defence Business) with Iveco Group's central treasury and financial payables of Discontinued Operations towards Financial Services.

(2) This item includes short-term deposits and investments towards high-credit rating counterparties.

(3) This item includes financial receivables from CNH deriving from financing activities and sale of trade receivables.

Cash Flows from/(used in) Operating Activities from Continuing Operations

Cash provided by operating activities in 2025 totalled €951 million and primarily comprised the following elements:

- €234 million in profit
- plus €736 million in non-cash charges for depreciation and amortisation (net of assets sold under buy-back commitments and operating leases)
- plus €346 million change in receivables from financing activities, primarily due to lower Financial Services portfolio
- plus change in trade receivables which generated €127 million
- plus €76 million change in deferred income taxes
- plus change in other receivables/payables which generated €31 million
- minus €351 million change in provisions
- minus change in inventories which absorbed €199 million
- minus €39 million for changes in items due to buy-back commitments
- minus €30 million for changes in operating lease items.

In 2024, cash generated by operating activities during the year was €1,656 million, as a result of cash generated from income-related inflows (calculated as profit plus amortisation and depreciation, dividends, changes in provisions and deferred income taxes, net of various items related to sales with buy-back commitments and operating leases, net of gains/losses on disposals and other non-cash items) for a total amount of €1,206 million plus €527 million cash generated from receivables from financing activities (primarily due to the wholesale portfolio), plus change in trade payables of €107 million and change in other receivables/payables for €44 million, partially offset by change in trade receivables absorption of €106 million and €122 million absorption from change in inventories.

Cash Flows from/(used in) Investing Activities from Continuing Operations

In 2025, cash used by investing activities totalled €680 million. The negative flows were primarily generated by:

- investments in tangible and intangible assets that used €775 million in cash (including €445 million in capitalised development costs). Investments in tangible and intangible assets are net of investments in commercial vehicles for the Group's long-term rental operations and of investments relating to assets sold under buy-back commitments, which are reflected in cash flows relating to operating activities
- partially compensated by net proceeds from other current and non-current financial assets that generated €66 million in cash.

In 2024, cash used by investing activities totalled €711 million. Expenditures in tangible and intangible assets (including €460 million in capitalised development costs) totalled €914 million. Net proceeds from other current and non-current financial assets absorbed €21 million in cash.

The following table summarises our investments in tangible assets (excluding assets sold with buy-back commitments and assets leased on operating leases) by segment and investments in intangible assets for the years ended 31 December 2025 and 2024:

<i>(€ million)</i>	Years ended 31 December	
	2025	2024
Truck	140	210
Bus	34	49
Powertrain	87	98
Total Industrial Activities investments in tangible assets	261	357
Industrial Activities investments in intangible assets	511	550
Total Industrial Activities capital expenditures	772	907
Financial Services investments in tangible assets	—	—
Financial Services investments in intangible assets	3	7
Total Capital expenditures	775	914

The Group incurred these capital expenditures in the regions in which the Group operates and principally related to initiatives to introduce new products, enhance manufacturing efficiency and increase capacity, and for maintenance and engineering.

Cash Flows from/(used in) Financing Activities from Continuing Operations

In 2025, cash absorbed by financing activities totalled €642 million, primarily due to €547 million decrease in debt (mainly related to lower Financial Services portfolio, repayment of debt of Industrial Activities and change in derivative financial instruments) and €88 million dividends paid.

In 2024, cash absorbed by financing activities totalled €95 million, primarily due to a €168 million capital contribution to subsidiaries classified as Discontinued Operations, €91 million dividends paid and €60 million repurchase of Common Shares under the buyback program, partially offset by a €224 million increase in Debt (mainly related to Industrial Activities).

Capital Resources

The cash flows, funding requirements and liquidity of Iveco Group are managed on a standard and centralized basis, in order to optimize the efficiency and effectiveness of the Group's management of capital resources.

The Group's subsidiaries participate in a company-wide cash management system, which the Group operates in a number of jurisdictions. Under this system, the cash balances of the Group's subsidiaries are aggregated at the end of each business day to central pooling accounts. The centralized treasury management offers financial and systems expertise in managing these accounts, as well as providing related services and consulting to the Group's business segments.

The Group's policy is to keep a high degree of flexibility with its funding and investment options in order to maintain the Group's desired level of liquidity to improve the Company's capital structure over time.

A summary of the Group's strategy is set forth below:

- Industrial Activities usually sells its receivables to Financial Services and relies on internal cash flows including managing working capital to fund its near-term financing requirements. The Group will also supplement its short-term financing by drawing on existing or new facilities with banks
- to the extent funding needs of Industrial Activities are determined to be of a longer-term nature, the Group will access public debt markets as well as private investors and banks, as appropriate, to refinance borrowings and replenish the Group's liquidity
- Financial Services' funding strategy is to maintain a sufficient level of liquidity and flexible access to a wide variety of financial instruments. While the Company expects factoring and securitisation to continue to represent a material portion of the Group's capital structure and intersegment borrowings to remain a marginal source of funding, the Group will continue to diversify its funding sources including committed asset-backed facilities, unsecured notes, bank facilities and commercial paper programs.

On a global level, the Group will continue to evaluate alternatives to ensure that Financial Services has access to capital on favourable terms to support its business, including agreements with global or regional partners, new funding arrangements or a combination of the foregoing.

Financial Services, leveraging its specific expertise, grants support to CNH financial services, by providing business process services to their European activities, and receiving a fee for the services rendered.

As of 31 December 2025, the credit rating assigned by Fitch Ratings to Iveco Group N.V. is a Long-Term Issuer Default Rating (IDR) of 'BBB-'. The Rating Watch is positive.

The Group believes that the current investment grade rating allows it to access funding at better rates. A credit rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal at any time by the assigning rating organisation, and each rating should be evaluated independently of any other rating. A deterioration in our ratings could impair our ability to obtain debt financing and would increase the cost of such financing. Ratings are influenced by a number of factors, including, among others: financial leverage on an absolute basis or relative to peers, the composition of the balance sheet and/or capital structure, material changes in earnings trends and volatility, ability to dividend monies from subsidiaries and our competitive position. Material deterioration in any single, or a combination, of these factors could result in a downgrade of our rating, thus increasing the cost, and limiting the availability, of financing.

Consolidated Debt

The Group's consolidated Debt at 31 December 2025 and 2024 is as detailed in the following table:

(€ million)	At 31 December 2025			At 31 December 2024		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
Total Debt	6,061	2,239	5,150	6,306	2,271	5,470

Iveco Group believes that Net Cash (Debt), a non-EU-IFRS financial measure as defined in the section "Alternative performance measures (or "Non-EU-IFRS financial measures")" above, is a useful analytical metric for measuring the Group's effective borrowing requirements. The Group provides a separate analysis of Net Cash (Debt) of Industrial Activities and Net Cash (Debt) of Financial Services to reflect the different cash flow management practices in the two activities. Industrial Activities reflects the consolidation of all majority-owned subsidiaries, except for Financial Services. Financial Services reflects the consolidation of the Financial Services' legal entities.

The calculation of Net Cash (Debt) at 31 December 2025 and 2024, and the reconciliation of Total (Debt), the EU-IFRS financial measure that the Group believes to be most directly comparable, to Net Cash (Debt), are shown below:

(€ million)	At 31 December 2025			31 December 2024		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
Third party (debt)	(5,732)	(1,500)	(4,232)	(6,155)	(1,584)	(4,571)
Intersegment notes payable ⁽¹⁾	(164)	(738)	(754)	—	(687)	(748)
(Debt) payable to CNH ⁽²⁾	(165)	(1)	(164)	(151)	—	(151)
Total (Debt)	(6,061)	(2,239)	(5,150)	(6,306)	(2,271)	(5,470)
Cash and cash equivalents	2,953	2,795	158	3,513	3,326	187
Intersegment financial receivables ⁽¹⁾	—	738	590	24	772	687
Financial receivables from CNH ⁽³⁾	78	1	77	61	2	59
Other current financial assets ⁽⁴⁾	3	3	—	59	59	—
Derivative assets ⁽⁵⁾	14	16	—	23	25	2
Derivative liabilities ⁽⁵⁾	(21)	(21)	(2)	(61)	(63)	(2)
Net Cash (Debt) of Continuing Operations	(3,034)	1,293	(4,327)	(2,687)	1,850	(4,537)
Net Cash (Debt) of Discontinued Operations	491	491	—	20	20	—
Total Net Cash (Debt)	(2,543)	1,784	(4,327)	(2,667)	1,870	(4,537)

(1) As a result of the role played by the central treasury, debt for Industrial Activities also includes funding raised by the central treasury on behalf of Financial Services (included under Intersegment financial receivables). Intersegment financial receivables for Financial Services, on the other hand, represent loans or advances to Industrial Activities – for receivables sold to Financial Services that do not meet the derecognition requirements – as well as cash deposited temporarily with the central treasury. At 31 December 2025 and 2024, Intersegment notes payable and Intersegment financial receivables of Industrial Activities and Financial Services also included the balance towards Discontinued Operations.

(2) This item includes payables related to purchases of receivables or collections with settlement in the following days.

(3) This item includes receivables related to sales of receivables or collections with settlement in the following days.

(4) This item includes short-term deposits and investments towards high-credit rating counterparties.

(5) Derivative assets and Derivative liabilities include, respectively, the positive and negative fair values of derivative financial instruments.

Net Debt of Continuing Operations at 31 December 2025 was €347 million higher compared to 31 December 2024, which included Defence business (classified as Discontinued Operations at 31 December 2025); the increase was also due to the Free Cash Flow absorption from Industrial Activities of €109 million during 2025.

The following table shows the change in Net Cash (Debt) of Industrial Activities for the years ended 31 December 2025 and 2024:

(€ million)	Years ended 31 December	
	2025	2024 ⁽¹⁾
Net Cash (Debt) of Industrial Activities at beginning of the period⁽²⁾	1,870	1,852
Less: Net Cash (Debt) of Industrial Activities from Discontinued Operations at beginning of the period	291	81
Net Cash (Debt) of Industrial Activities from Continuing Operations at beginning of the period	1,579	1,771
Adjusted EBIT of Industrial Activities	529	761
Depreciation and amortisation	732	653
Depreciation of assets under operating leases and assets sold with buy-back commitments	217	231
Financial charges and taxes impact on Net Cash (Debt)	(285)	(355)
Change in working capital ⁽³⁾	41	(128)
Investments in property, plant and equipment, and intangible assets ⁽⁴⁾	(772)	(907)
Change in provisions, buy-back and other	(571)	(15)
Free Cash Flow of Industrial Activities from Continuing Operations	(109)	240
Capital increases, dividends and share buy-backs	(113)	(179)
Currency translation differences and other	(64)	(253)
Change in Net Cash (Debt) of Industrial Activities from Continuing Operations	(286)	(192)
Net Cash (Debt) of Industrial Activities from Continuing Operations at end of the period	1,293	1,579
Net Cash (Debt) of Industrial Activities from Discontinued Operations at beginning of the period	291	81
Free Cash Flow of Industrial Activities from Discontinued Operations	169	48
Other from Discontinued Operations	31	162
Change in Net Cash (Debt) of Industrial Activities from Discontinued Operations	200	210
Net Cash (Debt) of Industrial Activities from Discontinued Operations at end of the period	491	291
Net Cash (Debt) of Industrial Activities at end of the period⁽²⁾	1,784	1,870

(1) In 2024 all items related to Discontinued Operations refer to both Defence and Fire Fighting business.

(2) This item includes the balances of both Continuing and Discontinued Operations.

(3) Change in working capital includes changes in; trade receivables, inventories, trade payables and other receivables/payables.

(4) Excluding assets sold under buy-back commitments and assets under operating leases.

Iveco Group believes that Free Cash Flow of Industrial Activities, a non-EU-IFRS financial measure as defined in the section "Alternative performance measures (or "Non-EU-IFRS financial measures")" above, is a useful analytical metric for measuring the cash generation ability of the Group's Industrial Activities. In 2025, Free Cash Flow of Industrial Activities was negative for €109 million, mainly driven by lower volumes and a one-off negative impact from exceptionally high inventory levels in the Bus division at year-end.

The reconciliation of Free Cash Flow of Industrial Activities to Net cash provided by (used in) Operating Activities, the EU-IFRS financial measure that Iveco Group believes to be most directly comparable, for the years ended 31 December 2025 and 2024, is shown below:

(€ million)	Years ended 31 December	
	2025	2024
Cash Flows from/(used in) Operating Activities from Continuing Operations	951	1,656
Less: Cash Flows from/(used in) Operating Activities of Financial Services net of eliminations	(207)	(508)
Cash Flows from/(used in) Operating Activities of Industrial Activities from Continuing Operations	744	1,148
Investments in property, plant and equipment, and intangible assets of Industrial Activities	(772)	(907)
Other changes ⁽¹⁾	(81)	(1)
Free Cash Flow of Industrial Activities from Continuing Operations	(109)	240

(1) This item primarily includes change in the intersegment financial receivables and capital increases in intersegment investments.

The non-EU-IFRS financial measures (Available liquidity, Net Cash (Debt) and Free Cash Flow of Industrial Activities), used in this section, should neither be considered as a substitute for, nor superior to, measures of financial performance prepared in accordance with EU-IFRS. In addition, these non-EU-IFRS financial measures may not be computed in the same manner as similarly titled measures used by other companies.

Industrial Activities

Third-party debt of Industrial Activities was €1.5 billion at 31 December 2025 and €1.6 billion at 31 December 2024 and primarily consisted of bank debt and lease liabilities.

Capital Markets

In April 2025, Iveco Group established its Euro Medium Term Note Programme for the issuance of Notes totalling up to a maximum amount of €2 billion, which is listed on the regulated market of Euronext Dublin.

Bank Debt

At 31 December 2025, Industrial Activities available committed unsecured facilities expiring after twelve months amounted to €1.6 billion (€1.6 billion at 31 December 2024).

On 4 January 2022, Iveco Group signed a €1.9 billion syndicated facility, which included a €1.4 billion committed revolving credit facility with a 5-year tenor with two extension options of 1-year each (subject to the bank's approval), as well as a €0.5 billion committed term facility with a 12-months tenor, extendable for up to an additional 12 months at the Company's sole option. In October 2022, Iveco Group signed a new €400 million syndicated term facility with a 2-year tenor extendable for up to an additional 12 months at the Company's sole option. The proceeds have been used to refinance the existing term facility. The €1.4 billion revolving credit facility has been extended for two additional years with all lenders, by exercising the first and the second one-year extension option. The facility is now due to mature in January 2029.

On 27 November 2023, Iveco Group signed a €450 million term loan facility with the European Investment Bank (EIB) with an 8-year amortisation profile, which represented the first tranche of the €500 million total approved by the European Investment Bank. The proceeds of the loan facility, which have been drawn down in full in December 2023, will be applied, over a period of three years, to enable Iveco Group to develop innovative technologies and architectures in the field of electric propulsion and to increase efficiency, safety, driving comfort and productivity by further developing solutions for autonomous driving, digitalisation and vehicle connectivity. In July 2024, the second and last €50 million tranche has been executed with full drawing in October 2024.

The facilities above include the following covenants:

- customary covenants (including a negative pledge, a status (or *pari passu*) covenant and restrictions on the incurrence of indebtedness by certain subsidiaries)
- customary events of default (some of which are subject to minimum thresholds and customary mitigants), including cross-default provisions, failure to pay amounts due or to comply with certain provisions under the loan agreement and the occurrence of certain bankruptcy-related events
- mandatory prepayment obligations upon a change in control of Iveco Group N.V.
- a financial covenant (Net debt/EBITDA ratio relating to Industrial Activities), not applicable in case of rating equal or higher than BBB/Baa2.

At 31 December 2025, Iveco Group was in compliance with the covenants of the above facilities.

In June 2024, Iveco Group N.V. signed a term loan facility of €150 million with Cassa Depositi e Prestiti (CDP) for the creation of new projects in Italy dedicated to research, development and innovation. Furthermore, in July 2024 Iveco Group N.V. successfully raised a *Schuldschein* loan (a private placement governed by German law) for €290 million and between July 2024 and October 2024 Iveco Group N.V. executed new bilateral term loan facilities for a total amount of €300 million. In 2025, Iveco Group N.V. signed a new 3-years term loan facility of €50 million.

Financial Services

Total third-party debt of Financial Services was €4.2 billion at 31 December 2025 (€4.6 billion at 31 December 2024), and included the following.

Bank Debt

Bank Debt of €1.1 billion at 31 December 2025 (€1.0 billion at 31 December 2024) mainly consisted of bank loans; it also included €115 million (€115 million at 31 December 2024) *Schuldschein* loan with a 3-year tenor. At 31 December 2025, Financial Services available committed, unsecured facilities expiring after twelve months amounted to €300 million (€300 million at 31 December 2024).

Asset-Backed Financing

At 31 December 2025, Financial Services' asset-backed facilities amounted to €1,025 million (€1,031 million at 31 December 2024), committed and expiring after twelve months.

The sale of financial receivables is executed primarily through asset-backed securitisation transactions and involves mainly accounts receivable from wholesale customers and from the network of dealers (wholesale) previously sold from Industrial Activities subsidiaries to the Group's Financial Services subsidiaries.

At 31 December 2025, the Group's receivables from financing activities included receivables sold and financed through both asset-backed securitisation transactions and factoring transactions of €4.0 billion (€4.3 billion at 31 December 2024), which did not meet derecognition requirements and therefore were recorded on the Group's Consolidated Statement of Financial Position. These receivables are recognised as such in the Group's financial statements even though they have been legally sold; a corresponding financial liability is recorded in the

Consolidated Statement of Financial position as Debt (see Note 24 "Debt" to the Group's Consolidated Financial Statements for the year ended 31 December 2025).

Commercial Paper Programs

Iveco Group has established a commercial paper program. In Europe, IC Financial Services S.A. issued commercial paper under the program which had an amount of €59 million outstanding at 31 December 2025 (€35 million at 31 December 2024).

FUTURE LIQUIDITY

The Group has adopted formal policies and decision-making processes designed to optimize the allocation of funds, cash management processes and financial risk management. The Group's liquidity needs could increase in the event of an extended economic slowdown or recession that would reduce the Group's cash flow from operations and impair the ability of the Group's dealers and retail customers to meet their payment obligations.

The Company believes that funds available under its current liquidity facilities, those realised under existing and planned asset-backed securitisation programs and possible issuances of debt securities and those expected from ordinary course refinancing of existing credit facilities, together with cash provided by operating activities, will allow the Group to satisfy its debt service requirements for the coming year. At 31 December 2025, the Group had available committed, unsecured facilities expiring after twelve months of €1,900 million (€1,900 million at 31 December 2024).

Financial Services securitized debt is repaid with the cash generated by the underlying amortizing receivables. Accordingly, additional liquidity is not normally necessary for the repayment of such debt. Financial Services has traditionally relied upon the asset-backed securitisation and committed asset-backed facilities as a primary source of funding and liquidity. At 31 December 2025, Financial Services' asset-backed facilities amounted to €1,025 million (€1,031 million at 31 December 2024), committed and expiring after twelve months.

Iveco Group continues to closely monitor its liquidity and capital resources for any potential impact that the challenging environment in which it operates, including current macroeconomic and geopolitical issues, energy and material price variability, may have on its operations. Iveco Group believes that its cash and cash equivalents, access to credit facilities and cash flows from future operations will be adequate to fund its known cash needs also in the context of that challenging environment.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Effective risk management is a key factor in maintaining the Group's value over time. Iveco Group's Risk Management and Internal Control System are consistent with the Dutch Corporate Governance Code and international best practices.

The Board of Directors is tasked with defining the general guidelines of the Risk management and Internal Control Systems, so that the main risks pertaining to Iveco Group are properly identified and managed, associated with the Group's strategy activities. The Board of Directors is aware that the control processes cannot provide absolute assurance that the Group objectives will be achieved, and the intrinsic risks of business prevented. However, it believes that the Risk management and Internal Control Systems shall reduce and mitigate the likelihood and/or impact of risk events associated with wrong decisions, human errors, frauds, violations of laws, regulations and Group procedures, as well as unexpected events.

The Board of Directors has identified the main corporate committees/functions relevant for risk management purposes, by defining their respective duties and responsibilities within the Risk management and Internal Control Systems scope. More specifically:

- the Audit Committee, the ESG Committee, the Human Capital and Compensation Committee, tasked with supporting the Board of Directors on, among others, internal control, risk management, remuneration and sustainability matters
- the Enterprise Risk Management (ERM) Committee, which may coincide with other committees that include the presence of SLT members (e.g., Iveco Group Executive Meetings), is responsible for supervising and reviewing risk assessment results, reviewing reports for the Audit Committee and Board of Directors, supporting in the identification of risk owners that will be accountable for executing risk mitigation plans, monitoring the risk appetite framework and advocating for risk management at all levels of the organisation, including the Senior Leadership team
- the Chief Executive Officer (CEO) deploys the risk management guidelines based on principles of prevention, cost effectiveness and ongoing improvement, as monitored by the Board of Directors, in order to provide the organisation with instruments for defining the risk categories to which attention should be drawn
- the Chief of Enterprise Risk Management and Internal Audit Officer, tasked with spreading an effective risk-based organisational culture, defining, implementing, and maintaining appropriate guidelines, processes and tools as well as supporting the management with a methodological approach, in the risks identification, adequate measurement and monitoring as well as proposing the Risk Appetite Framework's content and ensuring the integration of Risk Management process within a governance system consistent with strategic objectives. Internal Audit (IA) – The IA mission is to protect and enhance the Iveco Group long-term value creation by providing independent risk-based and objective assurance, and advice. The aim of IA is to improve the effectiveness and the efficiency of Iveco Group operations, assisting Iveco Group management in accomplishing its strategy and goals through a systematic professional approach oriented to verify, evaluate, and improve the governance, risk management, and control processes
- The Head of Internal Control over financial reporting (ICFR) is responsible for ensuring the effectiveness, reliability, and continuous improvement of the Group's financial reporting control framework. The role oversees the design, implementation, and monitoring of internal controls, supports compliance with regulatory requirements, and promotes a robust control culture across the organization
- The Head of Sustainability leads the development, integration, and execution of the Group's sustainability strategy, embedding environmental, social, and governance (ESG) principles across business operations and decision-making processes. The role drives cross-functional initiatives to advance sustainable performance, enhance transparency, and enable long-term value creation for all stakeholders.

1. RISK MANAGEMENT

1.1 Risk Management Governance and Culture

Risk management is deeply embedded in Iveco Group's culture and long-term strategy. The Enterprise Risk Management (ERM) function, led by the Chief Risk and Internal Audit Officer (CRIAO), operates independently—reporting directly to the CEO and functionally to the Audit Committee—to ensure objectivity and effective oversight.

Iveco Group's ERM model is built on COSO (Committee of Sponsoring Organizations of the Treadway Commission) Framework and Dutch Corporate Governance Code (DCGC) principles, tailored to the Group's evolving needs. Risks are systematically identified, assessed, and monitored through a combination of top-down and bottom-up approaches, with regular managerial meetings that review results, opportunities, and exposures across business units and geographies. Comprehensive risk assessment is conducted at least annually, and top risks are reviewed at least twice a year. This process enables timely mitigation actions and supports strategic decision-making.

Furthermore, governance of project and product development risk analysis has been enhanced by introducing a harmonized scoring system aligned with ERM principles. This improvement enables earlier risk identification, clear assignment of ownership, and well-defined escalation protocols, thereby ensuring that risk management processes are more thoroughly embedded within day-to-day operational activities.

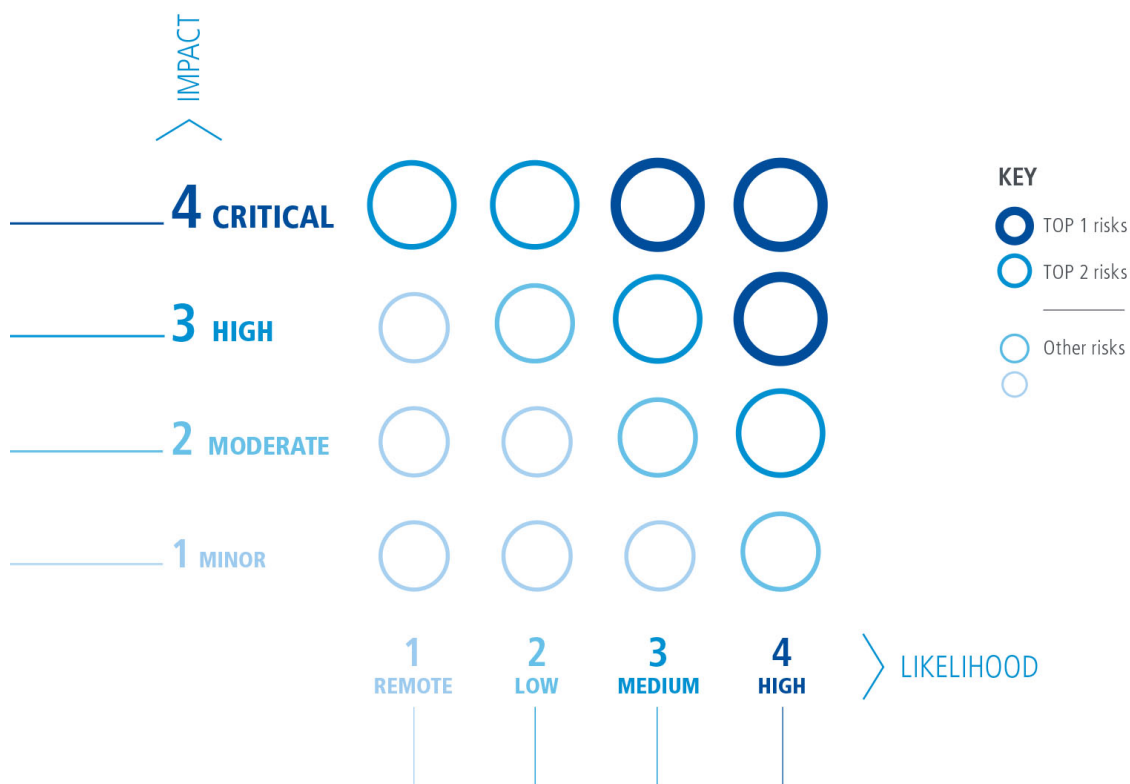
The ERM process is closely aligned with the Group’s strategic and sustainability objectives, providing a robust foundation for long-term value creation and proactive risk mitigation. Risk assessments consider internal and external developments—political, economic, social, technological, and legal—ensuring that both current and emerging risks are captured.

Throughout the year, risk exposure is reported at least twice to the Audit Committee, and all organizational levels receive targeted updates and training on ERM activities. In 2025, management and control bodies were regularly briefed on topics such as emerging risks, cyber risks, risk governance and the Risk Appetite Framework. The latest ERM cycle identified 87 risks, spanning strategic, operational, compliance and financial domains, with risks classified as Top 1, Top 2, or Other according to likelihood and impacts represented in the matrix below:

RISK MANAGEMENT

According to its category (Top 1, Top 2 or Other), each risk is then prioritised in terms of:

- risk quantification and/or in-depth analysis
- risk treatment.



1.2 Double materiality and ESG

Enterprise Risk Management (ERM) is fully integrated with the Group's strategic sustainability targets outlined in the Group Sustainability Plan, as well as with core business objectives and safety goals. This integration is implemented through two key processes: the Climate Change Risk Assessment and the Double Materiality Assessment (DMA), both of which adopt bottom-up and top-down approaches. To ensure adequate support and alignment with evolving requirements, ERM enhanced its model in 2025 by incorporating the analysis of opportunities and extending risk and opportunity evaluations to a long-term time horizon.

Double Materiality Assessment (DMA)

As part of the double materiality process, ERM supports the Sustainability team by sharing ESG-related risks and opportunities already mapped in the ERM Heatmap, along with their assessments across relevant time horizons, in line with the financial materiality requirements. Once the double materiality assessment is complete, ERM ensures that the most significant material impacts are captured and properly recorded in the ERM Risk Register. More details of the DMA are reported in section "Sustainability Statement", paragraph "1.9 Identifying and assessing material impacts, risks, and opportunities".

Climate Change Risk Assessment

ERM contributes to the Climate Change Risk Assessment by providing evaluations of transition risks, which are subsequently reassessed against the time horizons defined in the Climate Change analysis. In addition, the outcomes of the physical risk analysis are integrated into the ERM matrix for detailed evaluation using ERM-specific metrics. More details of the Climate Change Risk Assessment outcome are reported in section "Sustainability Statement", paragraph "3.2 Managing climate related risks and opportunities".

1.3 Risk Appetite Framework

The Risk Appetite Framework defines risk appetite within parameters guided by the Strategic Business Plan, Code of Conduct, corporate values, policies, and applicable laws. Appetite levels are categorized as: tolerant, moderately tolerant, moderately averse, and averse. For critical risk categories such as ethics and integrity, lawsuits and litigation, EHS, compliance with corporate law, product safety, and human rights, an adverse appetite level is approved; other dimensions range from moderately averse to moderately tolerant. For every category, specific operational guidelines ensure that the approved appetite is not exceeded and define the appropriate escalation procedures when thresholds are approached or breached.

In 2025, the governance of the Risk Appetite Framework (RAF) was enhanced, and a structured monitoring process was launched with the aim of verifying its applicability and effective implementation and ensuring that identified operational guidelines were compliant and that the risk appetite levels approved by the Board for each risk dimension were not exceeded.

The monitoring activity carried out during the year confirmed that risks were managed in alignment with the appetite defined for the corresponding risk dimensions, reinforcing the framework's effectiveness and its integration into operational practices.

1.4 Emerging Risks

Enterprise Risk Management (ERM) continuously monitors emerging risks — defined as new risks or risks for which the impacts are unknown or evolving — by integrating both top-down and bottom-up approaches for inclusion in risk assessment and mitigation processes. This ensures that potential risks arising from developments in the external environment are properly assessed and promptly incorporated into the corporate risk analysis process, while also capturing new risks identified across different levels of the organization because of changes in the internal context.

Among the 2025 emerging risks with a medium- to long-term impact, particular attention is warranted for the evolving geopolitical landscape, which may affect macroeconomic volatility, supply-chain disruption, resource allocation, and heightened investment risk. Regulatory uncertainty also remains a key factor, as it may hinder the ability to anticipate future market dynamics and reduce visibility into forthcoming technological requirements. Failure to address this challenge could result in delayed innovation, increased costs, and a gradual erosion of competitive positioning. Further details are reported in "Risk Factors" section of the 2025 Annual Report.

2. INTERNAL CONTROL SYSTEM and INTERNAL AUDIT

The Internal Control System is made up of the set of organisational functions, committees, IT support, administrative and management systems, policies, regulations, operating procedures and practices, and managerial behaviour as well, which exercise various types of control on business management, and on the risks that could compromise the shareholder's objective of long-term sustainable value creation.

Direct permanent controls are carried out by the people who manage and coordinate the operational activities (e.g.: purchases, logistics, production, sales), governed by the principles of separation of duties and delegation of authority. Monitoring controls are ensured by corporate functions – such as Finance, IT and HR, Legal and Compliance, ERM, among others – also through managerial, accounting and reporting systems, personnel development, proxies and authorization profiles, policies and procedures updating and, in some cases, assurance activities. The Internal Audit function carries out a further level of control, which operates independently of the previous ones. The task of the internal audit function is to assess the design and operation of the internal risk management and Internal Control System, to ensure the Board of Directors that the overall set of the aforementioned controls works effectively.

2.1 ICFR (Internal Control Over Financial Reporting)

Iveco Group has in place a system of risk management and internal control over financial reporting based on the model provided by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), according to which the internal control system is defined as a set of rules, procedures and tools designed to provide reasonable assurance of the achievement of corporate objectives. In relation to the financial reporting process, reliability, accuracy, completeness and timeliness of the information contribute to the achievement of such corporate objectives. Risk management is an integral part of the internal control system. A periodic evaluation of the system of internal control over financial reporting is designed to ensure the overall effectiveness of the components of the COSO Framework in achieving those objectives.

Identification and evaluation of the risk of misstatements which could have material effects on financial reporting is carried out through a risk assessment process that uses a top-down approach to identify the organisational entities, processes and the related accounts, in addition to specific activities, which could potentially generate significant errors. Under the methodology adopted by Iveco Group, risks and related controls are associated with the accounting and business processes upon which accounting information is based.

Management assessed the effectiveness of the Group's internal control over financial reporting as of 31 December 2025, using the criteria set forth in Internal Control - Integrated Framework (2013) issued by COSO. Based on that assessment, management believes that, as of 31 December 2025, the Group's internal control over financial reporting was effective.

2.2 ICSR (Internal Control over Sustainability Reporting)

In 2024, Iveco Group launched an initiative to enhance its Internal Control over Sustainability Reporting (ICSR), focusing on both design and operating effectiveness. Disclosure related to this aspect is presented in "Sustainability Statement" section of the 2025 Annual Report, paragraph "1.5 Risk management and internal controls over sustainability reporting".

2.3 Operational Risks Internal Control Framework

Iveco Group maintains an internal control system that provides oversight of operational risks and ensures that processes remain aligned with strategic objectives, with mitigation measures embedded in daily activities. Controls are periodically reviewed to confirm adequate documentation, alignment with business needs, integration of preventive and corrective actions, and appropriate segregation of duties. Operational risk activities follow the Board-approved risk appetite, ranging from adverse to moderately tolerant.

Effectiveness is monitored through walkthroughs and sample testing of key controls, analysis of key risk indicators (KRIs) and performance metrics, and review of incident logs and operational loss data to identify potential weaknesses.

The control framework operates through a three-line structure. The first line, through management committees and operational functions, is responsible for designing, executing, and monitoring controls, supported by reporting processes and KPIs. The second line, comprising Risk and Compliance functions, performs risk assessments, updates policies and procedures, provides training, and conducts control activities in areas such as Cybersecurity, Health & Safety, Environment, Quality, Product Development, and Controlling. The third line, Internal Audit, provides independent assurance on the design and effectiveness of operational controls according to the approved audit plan.

2.4 Compliance Risks Internal Control Framework

Iveco Group operates a Compliance Risk Control System designed to ensure that business activities are conducted in accordance with applicable laws, regulations, and internal standards. The framework is periodically reviewed to verify that policies and procedures remain aligned with regulatory developments and internal governance expectations. Controls are mapped to key regulatory areas such as Legislative Decree 231/01, anti-bribery, General Data Protection Regulation (GDPR), antitrust, trade compliance, international sanctions, product conformance and Digital Operational Resilience Act (DORA), ensuring comprehensive coverage across the Group's operations. Escalation protocols for potential non-compliance are defined, and all assessment and monitoring activities are aligned with the Board-approved risk appetite, set between adverse and moderately adverse.

The Group monitors the effectiveness of compliance controls through periodic audits and monitoring. Whistleblowing reports and regulatory findings are reviewed to identify potential gaps and improvement areas; training completion rates and the effectiveness of awareness initiatives are assessed to support a consistent level of compliance culture across the organization.

Responsibilities are distributed across the Group following a multi-layer governance model. The first line oversees operational execution through managerial committees, reporting processes, and KPIs. The second line performs risk assessments, policy development, training activities, and — in certain domains — control testing, including areas such as Tax Control Framework (TCF), GDPR, Anti-Money Laundering (AML), anti-corruption, and product conformance. The third line, Internal Audit, provides independent assurance based on the approved audit plan, while third parties may conduct independent validation where applicable.

2.5 Internal Audit Activities

The Internal Audit function evaluates the effectiveness and efficiency of the overall Internal Control and Risk Management System on a regular basis and reports the results to the CEO, the Audit Committee and the Supervisory Bodies of Iveco Group N.V. and its Italian subsidiaries, with reference to specific risks connected with compliance with Legislative Decree No. 231/2001. At least on an annual basis, it also reports to the Board of Directors.

The Iveco Group Internal Audit (IA) performs its duties - specified within a Charter, approved by the Board of Directors - with the independence required, in accordance with the Dutch Corporate Governance Code, the Group's corporate governance, the International Standards for the Professional Practice of Internal Auditing, and best practices.

In 2025, the Internal Audit function underwent an external quality review conducted by an independent body, confirming full compliance with the Global Internal Audit Standard (GIAS) latest international standards (standard 8.4 External Quality Assessment) and reinforcing the Group's commitment to global best practices in governance and audit quality.

The IA mission is to protect and enhance the Iveco Group long-term value creation by providing independent risk-based and objective assurance, and advice. The aim of IA is to improve the effectiveness and the efficiency of operations, assisting management in accomplishing its strategy and goals through a systematic professional approach oriented to verify, evaluate, and improve the governance, risk management, and control processes.

The IA objective is to evaluate the internal control and risk management system adequacy, encouraging effective controls at reasonable costs, referred to:

- compliance with laws, regulations, policies, plans, and internal procedures
- efficiency and effectiveness of the operations
- tangible and intangible asset value safeguarding
- reliability, timeliness, transparency, and integrity of the financial and non-financial reporting.

The Chief Risk and Internal Audit Officer (CRIAO) directly reports to the CEO and functionally to the Audit Committee. The Audit Committee oversees their activities and reviews their responsibilities, budget, organisation, and operations.

The CRIAO is appointed by the Board of Directors which also determines the remuneration.

As indicated by the Iveco Group Internal Audit Charter, the CRIAO is responsible for preparing a risk-based audit plan, encouraging suggestions from the senior management and in consultation with the CEO, the Audit Committee, and the external auditor. The audit plan must be submitted, at least annually, to the Board of Directors for review and approval, subject to a positive opinion from CEO and the Audit Committee.

The CRIAO reports to the CEO and the Audit Committee on a regular basis:

- the audit activities and results of the period, compared to the approved audit plan and reporting scope limitations, if any, and
- significant risks exposures and control issues, including fraud risks, governance issues, , and other matters requiring the attention of, or requested by, the Audit Committee.
- periodic reporting encompasses the most significant findings, material impacts, the full traceability of action plans, and the monitoring of their implementation.

Based on the following elements:

- Results of the audit and monitoring activities carried out by the internal audit function.
- Examination of the results of the monitoring of the second-level control functions, regarding the Compliance ICFR and TCF functions, the ERM, the IT security function, and the Financial Services Compliance function.
- Information exchanged with the External Auditor on financial and sustainability reporting.
- Information exchanged with the Supervisory Bodies on the suitability of the Organizational, Management and Control Model related to the Italian legislative decree 231/2001.
- Guidance received from the Audit Committee and examination of the information shared with the other players in the Internal Control and Risk Management System;

the CRIAO, for the year 2025, considers that the Group's Internal Control and Risk Management system was effective.

3. RISK TRANSFER

In order to mitigate the unpredictability and financial impact of any detrimental event that is insurable, Iveco Group has transferred the respective residual risk exposure to the insurance market. Over the years, Iveco Group's changing needs have been clearly reflected in its insurance coverage, which has been regularly optimised to decrease the Company's exposure to intrinsic risks related to the type of activities carried out. Global insurance programmes ensure that all Iveco Group companies currently have key risk insurance coverage. The latter includes property (all

risks), general liability and umbrella excess liability, directors' and officers' liability, public offering of securities, cyber risk and potential fraud, and environmental liability.

Additional coverage has been arranged locally based on the specific requirements of local legislation or of collective labour agreements and/or corporate agreements or regulations, such as coverage of product liability, employment practices or general third-party liability. Insurance analysis and the transfer of Iveco Group's risk exposure are conducted in collaboration with highly respected insurance brokers, which support this process internationally and are responsible for the compliance and management of Group insurance programmes at global level.

4. INFORMATION SECURITY

In today's digital age, new cyber risks are emerging with such frequency that simply being connected to the internet leaves organisations constantly exposed to potential hacker attacks. Cybercrime is big business, prompting organisations and governments worldwide to increase the resources allocated to addressing cyber threats, since the lack of an effective cybersecurity plan would present significant financial and reputational risks. Because Iveco Group considers information security and the proper handling of personal data as core tenets, it implements a number of dedicated controls and protection measures that are continuously monitored. Additionally, in line with Internal Control over Financial Reporting (ICFR) principles, the security controls for the Company's IT infrastructure and information security management system are audited and certified annually by an external auditor.

4.1 Security Governance

Information security refers to all the practices and processes adopted to prevent data access use, modification or deletion by unauthorised individuals or parties. It covers more than just personal data, protecting all information and data assets managed by or for Iveco Group. To regulate information security, the Company has adopted a set of operational procedures at global level, known as Information Security Policies. Reviewed at least once a year, these policies can be accessed by all employees via the corporate website (www.ivecogroup.com).

The Chief Information Officer (CIO) is a member of the Global Compliance & Ethics Committee, which is responsible for approving said Information Security Policies with regards to both IT personnel and employees in general. A dedicated Cybersecurity Department within the IT organisation monitors and manages information security. The head of this department, the Chief Information Security Officer (CISO), is directly responsible for the IT Cybersecurity Division, namely for coordinating security initiatives based on corporate programmes and business objectives while ensuring adequate protection for IT assets and technologies.

The CISO provides fortnightly updates on cybersecurity initiatives and relevant ongoing activities to the CIO and to the latter's top-level managers at cybersecurity meetings. Moreover, the CIO and CISO report on the status of the Cybersecurity Roadmap to the Audit Committee, which normally meets quarterly.

Iveco Group's security governance is based on the 6 functions of the National Institute of Standards and Technology (NIST) Cybersecurity Framework 2.0 (NIST CSF 2.0) – Govern, Identify, Protect, Detect, Respond, and Recover – designed to build an effective security culture and environment involving all those in security management. The Company's Cybersecurity Roadmap incorporates several initiatives aimed at ensuring effective information security governance. Every year, the roadmap is reviewed and defined according to the outcomes of an annual NIST maturity assessment (performed by a third party) that ranks Iveco Group's position within the NIST framework. This assessment also identifies any gaps, along with any improvements needed to consolidate the Cybersecurity Roadmap and posture. The main 2025 initiatives are outlined below, grouped according to the aforementioned NIST CSF 2.0 functions.

4.2 Govern

The newly added NIST Govern function emphasises the importance of establishing and maintaining governance structures and processes to effectively manage cybersecurity risks within an organisation. To address its requirements, the Group implemented several initiatives in 2025, including:

- the development and release of new policies and guidelines on increasingly relevant cybersecurity topics, such as the Vulnerability Management Policy, Third-Party Risk Assessment Policy, Patch Management Guidelines, and Backup Guidelines
- a Network and Information Security assessment, conducted in conjunction with a third party, to identify and close potential gaps and achieve compliance with the European NIS 2 Directive⁽¹⁾, in force since October 2024
- the development and execution of an action plan based on the IT risk resilience assessment performed in 2024 as per the Digital Operational Resilience Act (DORA) across selected Iveco Group brands, to address any gaps or weaknesses identified

⁽¹⁾ Directive (EU) 2022/2555 – known as the NIS 2 Directive – is the European Union's updated cybersecurity framework for protecting network and information systems (NIS), replacing the original Directive (EU) 2016/1148 or NIS 1.

- the launch of the GPO Refactoring project, providing for a comprehensive review of the Group Policy Objects (GPOs) applied at Iveco Group and for the implementation of a security tier model to strengthen the protection of privileged accounts within the Microsoft Active Directory
- the adoption of a third-party risk management platform (Panorays) to evaluate the security posture of major IT and non-IT suppliers, with its scope extended in the second half of 2025 to all critical non-IT suppliers. In parallel, an end-to-end process was defined to identify critical suppliers, assess their IT cybersecurity status, and implement necessary measures to ensure supplier compliance.

4.3 Identify

Under the NIST Identify function, the following initiative was implemented in 2025 to enhance the Group's understanding of how to manage cybersecurity risks to systems, people, assets, data, and capabilities:

- the launch of an **operational technology (OT) security assessment** to evaluate the cyber and physical security of a number of manufacturing plants.

4.4 Protect

The Protect function outlines appropriate safeguards to ensure delivery of critical infrastructure services. Initiatives implemented in 2025 focused on improvements to the security of data associated with cloud platforms and intellectual property (IP), through the deployment of a data loss prevention solution combined with a strengthened password policy. These initiatives included:

- the implementation of Multi-Factor Authentication (MFA) for the most critical applications exposed to the Internet, as part of an ongoing rollout to all Internet-exposed systems
- the improvement of cloud security through the installation of virtual machine firewalls between the Internet and exposed applications on the Azure and AWS cloud platforms, extending protection beyond the limited capabilities of Network Security Groups⁽²⁾
- the implementation of the DORA-mandated annual resilience testing of critical ICT systems, as defined during the 2024 DORA assessment, focusing on SAST/DAST⁽³⁾ and penetration testing for all critical assets within the reporting scope
- the launch of the Connected Vehicles Security Improvement programme, to enhance the cybersecurity posture of existing and new vehicles.

4.5 Detect

The Detect function's main aim is to identify the likelihood/occurrence of a cybersecurity event.

Two IT partners, NPO Sistemi and Kyndryl, provide support for 90% of Iveco Group's IT infrastructure. NPO Sistemi's services are compliant with ISO 27001:2013 and ISO 9001:2015 standards. Kyndryl's IT security, networking, cloud, system, and resiliency services are ISO 22301:2012-certified, while its IT security services are also ISO 27002:2013-compliant.

To further safeguard confidential information, the Company protects it against unauthorised access (both physical and logical) and limits the number of accounts with privileged access to it.

To prevent information security breaches, a complex array of complementary measures have been deployed – involving software, networks, servers, and devices assigned to users (such as laptops and smartphones) – to protect data when at rest, in transit, or in use. Data loss prevention measures include, but are not limited to: data loss prevention software, encryption, advanced anti-malware software, and secure data disposal.

In 2025, a Shared Folders Security Review was performed using the Varonis data security tool to monitor and assess permissions on file servers and Network Attached Storage (NAS) devices.

The monitoring process to verify all critical activities that use privileged accounts (i.e., those requiring special permissions known as Set User IDs, or SUIDs) on SAP⁽⁴⁾ systems was completed successfully. A SAP-based dashboard, which records all changes made during the execution of 'privileged commands', was used to share outcomes with the external ICFR auditor.

⁽²⁾ A security feature of Microsoft Azure and other systems.

⁽³⁾ Static Application Security Testing / Dynamic Application Security Testing.

⁽⁴⁾ Systems, Applications and Products in Data Processing.

Information/Cybersecurity Incidents & Breaches
Iveco Group worldwide

(number)		2025	2024	2023
Total number of information security breaches or other cybersecurity incidents ^a	P0	—	—	—
	P1	0	1	1
	P2	19	12	2
	P3	1,192	1,433	865
Total number of information security breaches involving customers' personally identifiable information		—	—	—
Number of customers affected by the Company's data breaches		—	—	—
Total amount of fines/penalties paid in relation to information security breaches or other cybersecurity incidents (€)		—	—	—

(a) An incident's priority, from high (P0) to low (P3), is determined according to the level of impact and urgency assigned to it. In 2024, all incidents were resolved with zero impact on business activities.

Vulnerability analysis and management are essential to ensure the confidentiality, integrity, and availability of sensitive information, and to maintain Iveco Group's business continuity, protect its reputation, and prevent financial losses. Every effort is made to effectively identify, report, prioritise, and remediate vulnerabilities that pose a significant risk to the Company, through a 24/7 process that continuously checks for potential security weaknesses. This process was further strengthened in 2025 with the definition of a specific and detailed procedure to properly manage the residual risk at both business and IT level.

Risk assessments, vulnerability scanning, and penetration tests are conducted annually to ensure the security of IT infrastructure and information security management systems. These tests include the analysis of the external attack surface – performed using a recently acquired cloud-based tool – and simulated hacker attacks.

Each new initiative or project undergoes a dedicated IT security risk assessment of the respective technical solution being launched, starting with a preliminary classification of macro data to identify, among other things, potential criticalities associated with the type of data being processed by the systems. This process aims to ensure that all running systems comply with security policies and guidelines. In 2025, 42 new projects underwent such risk assessment.

Additionally, Iveco Group's ICT Security conducts an annual information security risk assessment to evaluate the Company's cybersecurity maturity and to identify ICT risks and assess their likelihood and impact. During the year, this assessment was carried out in accordance with the new NIST⁽⁵⁾ Cybersecurity Framework 2.0 (NIST CSF 2.0), with assistance from external third parties, and then followed up with continuous risk management and improvement measures. In 2025, 19 risks were downgraded to a lower risk level due to the implementation of new mitigation measures.

A number of assessments were also performed specifically for Brand IDV and the Financial Services Business Unit, considering the unique nature of these businesses, to ensure compliance with relevant regulations.

Before the disposal of any IT asset, the IT asset management process removes all confidential data via a data erasure procedure. The partner in charge of fleet management oversees the data-sanitisation of such assets, and the activity is tracked via an asset management tool.

Iveco Group's Information Security Incident Management Policy stipulates how to respond appropriately to any actual or suspected security incident relating to information and/or information systems. The Security Incident Response Plan, which complies with the basic requirements of the NIS 2⁽⁶⁾ Directive, is tested at least annually and provides a framework of procedures, roles, responsibilities, and accountability for incident handling, while enabling breach detection, analysis, containment, eradication, recovery, and follow-up in response to incidents. The Security Operations Centre (SOC) is proactive 24/7 in preventing, detecting, and neutralising security threats across the corporate network before any impact on business activities occurs. Additionally, should there be a computer security breach or incident, the Company has a dedicated Cyber Security Incident Response Team (CSIRT) that coordinates and provides support accordingly.

⁽⁵⁾ National Institute of Standards and Technology.

⁽⁶⁾ Directive (EU) 2022/2555 – known as the NIS 2 Directive – is the European Union's updated cybersecurity framework for protecting network and information systems (NIS), replacing the original Directive (EU) 2016/1148 or NIS 1.

4.6 Respond and Recover

One of the main objectives of these two NIST functions is to strengthen Iveco Group's ability to take action on a detected cybersecurity incident and resume normal operations in a timely manner to minimise any impact.

Accordingly, in 2025, as part of the ongoing development of and investment in IT security, the Company engaged external third parties – IBM and PricewaterhouseCoopers (PWC) – to conduct Tabletop exercises⁽⁷⁾. The aim was to identify and set up, as per NIST CSF 2.0 and the Digital Operational Resilience Act (DORA), the appropriate structured processes, tools, and skills required to effectively manage any crisis caused by potential disruptions to the Financial Services Business Unit. Two simulations were performed under the guidance of IT management: the first involving Iveco Group's Senior Leadership Team (SLT), the second involving Financial Services' management.

4.7 Communication, Training, and Awareness

Every employee using Iveco Group's information systems receives online training on information security at least once every three years, while new hires receive it as part of the onboarding process.

The Company offers a Cybersecurity Awareness programme consisting of three mandatory training modules:

- Protecting our Information – an entry-level information security course
- *Phishing - Don't Take the Bait!* – an anti-phishing course on avoiding scams and the theft of sensitive personal data
- *Smishing and Vishing - Unveil the Cheat* – a specific anti-phishing course on avoiding scams and the theft of sensitive personal data on mobile devices.

In 2025, all three online modules were delivered to about 1,756 employees worldwide, for a total of about 1,580 hours of security training.

The training programme also included simulations (involving four campaigns on phishing) to raise employee awareness of real-world phishing attacks and how to recognise them, as well as ad hoc communications on specific cybersecurity topics posted periodically on the corporate Intranet.

During the year, the Company tested a new cybersecurity training platform called Cyber Guru, involving over 1,300 users in the pilot phase before its December rollout to all Iveco Group employees. This new platform is now being used to build a strong foundation of cybersecurity awareness, improve threat recognition and response, and provide adaptive, role-based training using gamification to engage and educate employees.

Two new modules are delivered every month through this new training platform:

- *Cyber Guru Awareness* – a course designed to develop knowledge of the main cyber threats through cognitive training
- *Cyber Guru Channel* – an inductive training programme that promotes learning through real-life scenarios.

In 2025, about 2,600 hours of training was delivered via the Cyber Guru platform to the pilot users alone, in addition to standard training for new hires.

To mark Cybersecurity Awareness Month, information on important cybersecurity topics (protecting credentials, maintaining strong passwords, safely sharing content on social media) were posted on the Group's Intranet portal.

5. DATA PROTECTION AND PRIVACY

Iveco Group implements specific data privacy rules and regulations that govern the way personal data (whether in digital or other form) is collected and handled from start to finish, i.e., from processing to use, transfer, sharing, possession, and disposal. As stated in the Code of Conduct, the Company is committed to collecting, storing, and processing personal data in compliance with all applicable laws, respecting the rights of data subjects and minimising data treatment to the fullest extent possible. To this end, Iveco Group has developed and is continually expanding its own Privacy Management framework: a set of policies, guidelines, tools, skills, and resources aimed at ensuring compliance with multiple data privacy regulations around the world.

The Privacy Management framework includes:

- organisational and technical measures to ensure correct and secure data processing, according to the Company's Data Privacy Policy and the Privacy by Design principle
- procedures for collecting and responding to privacy-related enquiries from data subjects
- a comprehensive record of data processing activities, including personal data retention schedules/criteria
- third-party data management.

Compliance with data privacy regulations is monitored by a dedicated unit within the Company's General Counsel function, and may be subject to audits by the Internal Audit function.

During the year, Iveco Group received no substantiated complaints concerning breaches of privacy.

⁽⁷⁾ Discussion-based group exercises designed to identify roles, responsibilities, and potential responses in the event of an unfolding cyber incident.

GOVERNANCE STATEMENT

INTRODUCTION

The governance of Iveco Group N.V. (Iveco Group or the Company) is built on a set of rules and practices that the Company has adopted (and intends to improve throughout time) to manage its operations in an ethical and transparent way, according to its purpose and values, that are the groundwork of its culture. The Company believes that a robust governance model is pivotal to doing business in the pursuit of true sustainable long-term value creation, duly balancing the interests of all its stakeholders. In this governance statement, Iveco Group summarises its overall corporate governance structure as it applied to the Company as of 31 December 2025, providing the information required by Dutch law and the Dutch Corporate Governance Code (the DCGC), which applies, on a comply or explain basis, to Dutch companies whose shares have been admitted to trading on a regulated market or comparable system; deviations from the DCGC are described here, too. Other parts of the Board Report complement the description of how Iveco Group complies with the principles and best practice provisions recommended by the DCGC, by addressing the strategy, values and culture of Iveco Group in furtherance of sustainable long-term value creation (see section "Sustainability Statement"), the remuneration of the Company's Board members and management (see section "Remuneration Report"), the Company's approach to risk management, its risk assessment, and the design and operation of the internal risk management and control system (see sections "Risk Factors" and "Risk Management and Internal Control System").

The Company is aware of the invitation the Italian Corporate Governance Committee has addressed to issuers with a non-Italian home country, but listed in Italy, to evaluate and consider the adoption of the corporate governance code sponsored by Borsa Italiana S.p.A. (which manages Euronext Milan, where the Company's Common Shares are listed) and compliance with its recommendations. For the time being, Iveco Group believes that compliance with the recommendations of the DCGC (including in terms of disclosure) enables Iveco Group to fully respond to investors' demands for high corporate governance standards, consistency with international best practice, and transparency. On the other hand, the DCGC addresses substantially the same concerns as the Italian corporate governance code, whilst better fitting with the Company's Dutch legal structure and corporate operation.

On 30 July 2025, the Company announced that it has reached an agreement with Tata Motors on an envisaged recommended voluntary tender offer aimed at acquiring 100% of Iveco Group's common shares with a subsequent delisting of Iveco Group from Euronext Milan. The completion of the offer is conditional, inter alia, on the separation of Iveco Group's Defence business. On the same date, the Company announced that it has reached a definitive agreement to sell its Defence business (IDV and ASTRA brands) to Leonardo S.p.A. (BIT: LDO). The sale of the Defence business is expected to be completed no later than 31 March 2026, subject to customary regulatory approvals. For the event the sale is not complete by 31 March 2026, the Board has called the Extraordinary General Meeting to take place on 25 March 2026 to resolve upon the separation of Iveco Group's Defence business through a statutory Dutch law demerger (*juridische afsplitsing*) between the newly incorporated IDV Group N.V., as acquiring company, and Iveco Group as demerging company. At the date hereof, none of the aforementioned transactions has been completed. For further information and details on such transactions, readers are invited to refer to the Offeror's Notice (by which on 30 July 2025 TML CV HS, pursuant to and for the purposes of Article 102, paragraph 1, of the Italian CFA and Article 37 of Consob Issuers' Regulation, informed Consob and disclosed to the market and the issuer its decision to promote the tender offer), the materials published on 11 February 2026 in preparation for the extraordinary general meeting to take place on 25 March 2026 to discuss – inter alia – the separation of the Defence business, and to the documents and materials to be published in due time in connection with the sale of Iveco Group's Defence business, the tender offer and the extraordinary general meeting of shareholders to be held to adopt the resolutions summarised in the aforementioned Offeror's Notice, as made available on the Company's website at www.ivecogroup.com.

GENERAL MEETING OF SHAREHOLDERS

Consistently with the DCGC, shareholders through their general meeting (the "General Meeting") play a fully-fledged role in the governance of the Company and its system of checks and balances. In addition, Iveco Group is committed to maintaining an open and constructive dialogue with its shareholders (and potential shareholders) also outside the context of formal General Meetings, and an ad-hoc policy (available on the Company website at www.ivecogroup.com) has been adopted to this end.

At least one General Meeting shall be held every year, within six months after the close of the prior financial year. General Meetings shall also be held in the situations referred to in Dutch law (including at the request of shareholders solely or jointly representing at least 10% of the Company's issued share capital) and as often as the Board of Directors, the Chairperson, the Senior Non-Executive Director or the Chief Executive Officer deems it necessary to hold them. General Meetings shall be held in Amsterdam or Haarlemmermeer (Schiphol Airport) and shall be called in such manner as is required to comply with applicable regulations, not later than on the forty-second day prior to the meeting. All convocations of meetings of shareholders and all announcements, notifications, and communications to Company shareholders shall be made by means of an announcement on the Company's website and such announcement shall remain accessible until the relevant meeting of shareholders. The notice shall state the place, date, and hour of the meeting and the agenda of the meeting as well as the other information required by law. Any communication to be addressed to the General Meeting by virtue of law or the Articles of Association may be either included in the notice or, to the extent provided for in such notice, on the Company's website and/or in a document made available for inspection at the office of the Company and such other place(s) as the Board of Directors shall determine.

The agenda of the Annual General Meeting shall contain, inter alia, the following items:

- a. the adoption of the Company's annual accounts;
- b. the policy of the Company on additions to reserves and on dividends, if any;

- c. if applicable, the proposal to pay a dividend;
- d. the granting of discharge to the members of the Board of Directors in respect of the performance of their duties, insofar as the exercise of such duties is reflected in the annual accounts or otherwise disclosed in the General Meeting prior to the adoption of the annual accounts;
- e. the annual appointment of Directors and the external auditors;
- f. an advisory vote in respect of the remuneration report;
- g. every four years, the Company's Remuneration Policy;
- h. discussion of any substantial change in the corporate governance structure of the Company;
- i. any matters decided upon by the person(s) convening the meeting and any matters placed on the agenda with due observance of applicable Dutch laws.

An item proposed in writing by one or more shareholders representing solely or jointly at least 3% of the Company's share capital shall be included in the agenda, provided that the Company has received the request, including the reasons for putting the relevant item on the agenda, no later than the sixtieth day before the day of the General Meeting.

Persons with the right to vote or attend General Meetings shall be considered those persons who have these rights at the twenty-eighth day prior to the day of the meeting (the "Record Date"), irrespective of whether they will have these rights at the date of the meeting. In addition to the Record Date, the notice of the meeting shall state how Company shareholders and other parties with voting rights may have themselves registered and how those rights can be exercised, either directly or through a proxy duly authorised in writing. For the avoidance of doubt, such an attorney is also authorised in writing if the proxy is documented electronically.

Each share (whether common or special voting) shall confer the right to cast one vote. Votes can be cast at the meeting in person or through proxies or in advance of the meeting via the web procedure made available through the Company's website. All resolutions shall be passed with an absolute majority of the votes validly cast unless otherwise specified; blank votes shall not be counted as votes cast. Shares in respect of which the law determines that no votes may be cast shall be disregarded for the purposes of determining the proportion of shareholders voting, present or represented, or the proportion of the share capital present or represented. No voting rights shall be exercised in the General Meeting for shares owned by the Company or by a subsidiary of the Company.

The General Meeting shall be presided over by the Senior Non-Executive Director or, in their absence, by the person chosen by the Board of Directors to act as chair for such meeting. The chair of the meeting shall decide on the admittance of persons other than those who are entitled to attend and may determine the time for which those who are permitted to attend may speak, if they consider this desirable with a view to the orderly conduct of the meeting. The Board shall provide the General Meeting with all requested information, unless this would be contrary to an overriding interest of the Company; in case, the Board must provide shareholders with details of the relevant interest.

One of the persons present and designated for that purpose by the chair of the meeting shall act as secretary and take minutes of the business transacted. The minutes shall be made available to the shareholders no later than three months after the end of the meeting, after which the shareholders shall have the opportunity to react in the following three months. The minutes shall then be adopted and confirmed by the chair of the meeting and the secretary and signed by them in witness thereof. If an official notarial record is made of the business transacted at the shareholders' meeting, then minutes need not be drawn up and it shall suffice that the official notarial record is signed by the notary.

BOARD OF DIRECTORS

Responsibilities and composition

The Company has a one-tier board structure comprising Executive Directors (in charge of overseeing the Company's day-to-day operations) and Non-Executive Directors (who supervise the Executive Directors' performance of duties and the Company's general affairs and business, rendering advice and directions to the Executive Directors). The Board as a whole is accountable for the performance of its duties to the General Meeting, that appoints all its members on an annual basis, for a period expiring on the day the annual general meeting (AGM) is held in the following calendar year. The General Meeting has the power to suspend or dismiss any member of the Board at any time.

The Board may perform all acts necessary or useful for achieving the Company's objectives, with the exception of those acts that are prohibited by law or by the Articles of Association; Dutch law provides that resolutions of the Board involving major changes in the Company's identity or character are subject to the approval of the General Meeting. The Board's responsibilities include, among other things, developing a view on long-term value creation by the Company, determining the Company's strategy and risk management policy, ensuring compliance with legislation and regulations and the corporate governance structure of the Company, as well as publishing the information required under applicable law and the DCGC. Pursuant to the Articles of Association, the Board may allocate its duties and powers among the Directors pursuant to the Board Regulations (see below), provided that the following duties and powers may not be allocated to the Executive Directors: (i) supervising the performance of the Executive Directors, (ii) making a nomination for the appointment of Directors, (iii) determining an Executive Director's remuneration and (iv) recommending to the General Meeting the appointment of an auditor to audit the financial statements. Regardless of any allocation of tasks, all members of the Board remain collectively responsible for the proper management and strategy of the Company (including supervision thereof in case of Non-Executive Directors).

The chair of the Board of Directors as referred to by law and the DCGC is a Non-Executive Director, with the title of Senior Non-Executive Director, while the title of Chairperson as referred to by the Articles of Association is reserved to an Executive Director. The general authority to

represent the Company is vested in the Board, as well as in each of the Executive Directors to whom the title Chairperson or Chief Executive Officer has been granted. Accordingly, after the AGM held on 16 April 2025, the Board appointed Lorenzo Simonelli as Senior Non-Executive Director, Suzanne Heywood as Chairperson, and Olof Persson as Chief Executive Officer.

The Board shall consist of three or more Directors, appointed individually and on an annual basis, and the number of Executive and Non-Executive Directors shall be determined by the Board, ensuring an appropriate balance between their respective numbers. The composition of the Non-Executive Directors is such that they will be able to operate independently and critically with respect to one another, the Executive Directors, and any other particular interest involved. Moreover, out of the Non-Executive Directors independent ones have an essential role in protecting the interests of all stakeholders: in the assessment of its members' independence, the Board abides by the criteria set forth by the DCGC. The independent Directors' contribution is welcome and necessary for the proper composition and functioning of the Board committees, too, whose advisory functions include preliminary examination and formulation of proposals and recommendations relating to areas of potential risk.

According to the guidelines on its composition (available on the Company website at www.ivecogroup.com), and in full consistency with the Company's overall Policy on Diversity, Equity and Inclusion (see below), the Board of Directors is composed of individuals who bring the appropriate skills and experience needed for a company of Iveco Group size, geographic distribution and business focus, as the Company believes that bringing different perspectives into the Boardroom creates more effective discussions. Considering the specific characteristics, cultural background, experience, and skillset of its members, the Board of Directors believes it has the appropriate diversity mix, independence and judgment to fulfil its responsibilities, execute its duties appropriately and have a good understanding of the current affairs and long-term risks and opportunities related to the Company's business. The Company also believes that women and men should each represent at least one-third of the members of the Board of Directors. As of 31 December 2025 this goal was achieved (the goal here is maintaining this gender diversity rate while managing retirement and vacancies). On 31 December 2025, no member of the Board exceeded the maximum number of positions allowed by Dutch law for Dutch large companies.

Directors' Bios

▪ Suzanne Heywood

Chairperson

Date of first appointment: 1 January 2022.

Born in 1969, British citizenship.

Suzanne Heywood became a Managing Director of Exor N.V. (the diversified investment holding company listed on Euronext Amsterdam and qualifying as Iveco Group's major shareholder) in 2016 and was appointed as its Chief Operating Officer in November 2022.

Prior to that she worked at McKinsey & Company which she joined as an associate in 1997 and left as a Senior Partner (Director) in 2016. She co-led McKinsey's global service line on organisation design for several years and also worked extensively on strategic issues with clients across different sectors. She started her career in the UK Government as a Civil Servant in the UK Treasury. At the Treasury she worked as Private Secretary to the Financial Secretary (who is responsible for all direct taxation issues) as well as leading thinking on the Government's privatization policy and supporting the Chancellor in his negotiations at ECOFIN (the meeting of European Finance Ministers) in Brussels.

Lady Heywood is Chair of CNH Industrial N.V. (the world-class agriculture, construction and services company listed on NYSE), of Shang Xia (a Chinese private luxury company) and of Quartz Associates (a small, private consulting group). She is also a non-executive Director of Christian Louboutin (one of the leading names in global luxury), The Economist (a leading source of analysis on international business and world affairs) and Clarivate Plc. (a leading global provider of transformative intelligence listed on NYSE). She has published several books and grew up sailing around the world for ten years with her family on the schooner Wavewalker.

She studied science at Oxford University (BA) and then at Cambridge University (PhD). In 2023 she achieved a specialization certificate in Google Cybersecurity.

External directorships in publicly listed companies (as of 31 December 2025):

- CNH Industrial N.V.
- Clarivate Plc.

▪ Olof Persson

Chief Executive Officer

Date of first appointment (as Non-Executive Director): 1 January 2022.

Date of first appointment (as Executive Director): 16 April 2025.

Born in 1964, Swedish citizenship.

Olof Persson started his career at ABB, a global technology leader in electrification and automation, where he held various positions. In 2014 he was appointed Division President of Bombardier Transportation, one of the world's largest rail transport companies. In 2006, he joined Volvo Group as President first of Volvo Aero and subsequently of Volvo Construction Equipment (2008). In 2011 he was named President and CEO of the Volvo Group, a role that he held for four years. In 2015 he was appointed Senior Operating Executive at Cerberus Capital Management.

Mr. Persson is currently Chairman of the Board of New Wave Group AB, a Swedish growth company that designs, acquires and develops brands and products in the corporate, sports, gifts and home furnishings sectors, listed on the Nasdaq Stockholm Large Cap Index.

In 2022 he joined the Board of Iveco Group as an Independent Non-Executive Director when the Group listed on Euronext Milan. In April 2024 the Company announced that Olof Persson would succeed Gerrit Marx as Group CEO, effective 1 July 2024, on an ad-interim basis pursuant to the absence rule under Dutch law and that he would withdraw from his position as Independent Non-Executive Director as per the same date. At the AGM held on 16 April 2025, the General Meeting appointed Mr. Persson to the Board as Executive Director.

Mr. Persson holds a Bachelor of Business Administration, BBA – Ekonomi 1988, from Karlstad's University.

External directorships in publicly listed companies (as of 31 December 2025):

- New Wave Group AB.

- [Lorenzo Simonelli](#)

[Senior Non-Executive Director](#)

Date of first appointment: 1 January 2022.

Born in 1973, Italian, British, Swiss and American citizenship.

Lorenzo Simonelli is the Chairman, President and CEO of Baker Hughes Company, an energy technology company that combines innovation, expertise and scale to provide solutions for energy and industrial customers worldwide. In October 2017 he was named Chairman of the Board of Baker Hughes, and has been President and CEO since the Company's creation in 2017, where he oversaw the successful merger of GE Oil & Gas with Baker Hughes Inc. In 2013 he was appointed President and CEO of GE Oil & Gas.

Previously, Mr. Simonelli served as President and CEO of GE Transportation, a global transportation leader in the rail, mining, marine and energy storage industries. During his five-year tenure, he expanded and diversified GE Transportation by focusing on advanced technology manufacturing, intelligent control systems and a diverse approach to new propulsion solutions. He served as Chief Financial Officer for the Americas for GE Consumer & Industrial, as well as General Manager, Product Management for GE Appliances, Lighting, Electrical Distribution and Motors. Lorenzo Simonelli joined GE's Financial Management Program in 1994, where he worked on assignments in GE International, GE Shared Services, GE Oil & Gas and Consolidated Financial Insurance. He also served on the Board of C3.ai, Inc. (2020 - 2021) and on the Board of CNH Industrial N.V. (2019 - 2021).

He qualifies as independent under the Dutch Corporate Governance Code.

Mr. Simonelli graduated in Business & Economics from Cardiff University, Wales and received a master's degree *honoris causa* in Chemical Sciences from the University of Florence, Italy.

External directorships in publicly listed companies (as of 31 December 2025):

- Baker Hughes Company.

- [Judy Curran](#)

[Non-Executive Director](#)

Date of first appointment: 17 April 2024.

Born in 1961, American citizenship.

Judy Curran is an accomplished senior automotive executive with 35 years of experience and leadership within the automotive / mobility / engineering / technology fields. She has an in-depth understanding of the Transportation industry and is familiar with Tech and Software topics.

She is currently responsible of the Automotive Strategy at Synopsys, Inc., company leader in engineering solutions from silicon to systems, position she previously held in ANSYS Inc. now acquired by Synopsys. Before joining ANSYS as Chief Technologist Automotive, Ms. Curran held several executive positions at Ford Motor Company, with growing responsibilities up to the role of Director of Technology Strategy (2014-2018). Her career at Ford started in 1986 after an initial experience at United Technologies as an Engineer on engine fuel control systems.

She has served on several boards and presently sits in the board of Forvia SE (an automotive technology group based in France and listed on Euronext Paris), where she is a member of the Audit Committee.

She qualifies as independent under the Dutch Corporate Governance Code.

Ms. Curran holds a Bachelor of Science, Electrical Engineering/Computer Software from Lawrence Technological University (USA) and a Master of Science, Electrical Engineering from the University of Michigan (USA).

External directorships in publicly listed companies (as of 31 December 2025):

- Forvia SE

- [Tufan Erginbilgic](#)

[Non-Executive Director](#)

Date of first appointment: 1 January 2022.

Born in 1959, British and Turkish citizenship.

Tufan Erginbilgic has a background in engineering and has built his career in international business with over 20 years with BP, five years as part of its executive team. He held a number of senior roles at BP, including CEO of Lubricants, BP and Castrol; Chief of Staff to the Group CEO; and Chief Operating Officer of the downstream business, becoming its CEO in 2014 until 2020.

Since 1 January 2023, he has been Group Chief Executive Officer of Rolls-Royce plc, that develops and delivers complex power and propulsion solutions for safety-critical applications in the air, at sea and on land.

Mr. Erginbilgic held several non-executive directorships in heavy industry and manufacturing. These include aerospace technology group GKN; energy, healthcare technology group DCC plc; and energy company Turkiye Petrol Rafinerileri A.S (Tupras). He was also partner in Global Infrastructure Partners, a private equity firm focused on large-scale investments in infrastructure businesses.

He qualifies as independent under the Dutch Corporate Governance Code.

Mr. Erginbilgic has a BSc in engineering, a Master of Business Administration degree and an MA in economics.

External directorships in publicly listed companies (as of 31 December 2025):

- Rolls-Royce plc.

▪ Clara Fain

Non-Executive Director

Date of first appointment: 16 April 2025.

Born in 1985, French citizenship.

Clara Fain is a finance leader and technology expert with over 15 years of track record in investing, technology, operations, advisory, deal making, and financial engineering.

Clara Fain is currently Chief Financial Officer at Via Transportation Inc., a US-based company pioneering the use of cutting-edge technology to develop efficient, equitable, and sustainable transportation systems for cities in >35 countries, where she has been operating in a leadership position for the past 9 years. She is also an active investor in early-stage technology companies and a mentor to executives and boards on business and financial matters.

Prior to Via, Clara was a Vice-President in the Merchant Banking Division of Goldman, Sachs and Co. in New York where she led and participated in \$100 million to \$1 billion+ equity and debt investments in the Technology, Telecom, and Consumer industries. Clara started her career as an investment banker at Rothschild & Cie in Paris and TAP Advisors in New York.

Ms. Fain holds a Master of Science from Mines ParisTech (France), a leading French engineering "Grande Ecole". Ms. Fain resides in New York with her husband and their four boys.

▪ Essimari Kairisto

Non-Executive Director

Date of first appointment: 1 January 2022.

Born in 1966, Finnish and German citizenship.

Essimari Kairisto held several high-profile roles in finance and general management including at Sasol, RWE and Schlumberger. In 2013 she moved to Hochtief Solutions AG (an engineering-led global infrastructure solutions provider, listed in Germany) where she was Chief Financial Officer and a Board Director until 2016. After that she took on independent consulting roles. Until June 2024, she was member of the Supervisory Board as well as member of the Audit Committee of Applus Services S.A.; from 2018 to March 2025, she was an Independent Director of Fortum Oyj (a clean energy generation and distribution company listed on the Helsinki stock exchange, with the Finnish State as majority shareholder) where she held the roles of Vice Chair and Chair of the Audit and Risk Committee.

Essimari Kairisto is Vice Chair of TenneT Holding B.V. (a Dutch state-owned leading European electricity transmission system operator with its main activities in the Netherlands and Germany) and Chair of its Audit Committee, member of the Board of Directors and Chair of the Audit Committee of Neste Oyj (leading producer of sustainable aviation fuel and renewable diesel, forerunner in creating solutions for mitigating climate change and accelerating a shift to a circular economy, listed on the Helsinki stock exchange), member of the Board of Directors and of the Audit Committee of Huhtamäki Oyj (global leader in sustainable packaging solutions, listed on the Helsinki stock exchange), Supervisory Board Member and Chair of the Audit Committee of Freudenberg SE (the privately owned German technology company), member of the Supervisory Board and Chair of the Audit Committee of Fugro N.V. (a world leading Geo-data specialist listed on Euronext Amsterdam that supports clients in mitigating risks during design, construction and operation of their assets) and member of the Supervisory Board of MCF Corporate Finance GmbH (a German privately owned M&A and debt advisory).

She qualifies as independent under the Dutch Corporate Governance Code.

Ms. Kairisto holds a diploma in Business Administration from the University of Fachhochschule Bielefeld (Germany).

External directorships in publicly listed companies (as of 31 December 2025):

- Fugro N.V.
- Huhtamäki Oyj
- Neste Oyj.

- [Linda Knoll](#)

- [Non-Executive Director](#)

Date of first appointment: 1 January 2022.

Born in 1960, American citizenship.

After a decade of supply chain and program management experience in the land systems division of General Dynamics, Linda Knoll honed her career in the predecessor companies of CNH Industrial, which she joined in 1994.

There she accumulated a wealth of industrial experience in agricultural operations with a variety of leadership roles (including Vice-President and General Manager of the Crop Production Global Product Line, Vice President North America Agricultural Industrial Operations, Executive Vice-President Agricultural Product Development, President Parts and Service - ad interim - and Executive Vice-President Worldwide Agricultural Manufacturing). Starting in 2007 Ms. Knoll then served as Chief Human Resources Officer and member of the Group Executive Council until her retirement in 2019. Since 2011 she held these same positions in the car manufacturer Fiat then FCA too, finally serving in FCA only up to the company's merger with PSA and formation of Stellantis (2021).

Linda Knoll currently (since 2014) serves as director at Schneider Electric SE (global specialist in energy management and automation), and Astec Industries Inc. (a leading manufacturer of equipment for asphalt road building, aggregate processing, and concrete production). She chairs the Human Capital and Compensation Committee at both companies.

She qualifies as independent under the Dutch Corporate Governance Code.

Ms. Knoll holds a Bachelor of Science Degree in Business Administration from Central Michigan University.

External directorships in publicly listed companies (as of 31 December 2025):

- Astec Industries Inc.
- Schneider Electric SE.

- [Alessandro Nasi](#)

- [Non-Executive Director](#)

Date of first appointment: 1 January 2022.

Born in 1974, Italian citizenship.

Alessandro Nasi started his career as a financial analyst in several banks, gaining experience at Europlus Asset Management, a division of Unicredit in Dublin, Ireland, PricewaterhouseCoopers in Turin, Italy, Merrill Lynch and JP Morgan in New York, U.S. He also worked as an Associate in the Private Equity Division of JP Morgan Partners in New York, U.S.

In 2005 Mr. Nasi joined Fiat Group as manager of Corporate and Business Development, heading the APAC division and supporting Fiat Group sectors in Asia Pacific. In 2007, he was appointed Vice President of Business Development and a member of the Steering Committee of Fiat Powertrain Technologies. In 2008, he joined CNH in the role of Senior Vice President of Business Development and he also served as Senior Vice President of Network Development (2009 - 2011). In January 2011, he was appointed Secretary of the Industrial Executive Council of Fiat Industrial, continuing in the role of Executive Coordinator to the successor Group Executive Council of CNH Industrial until January 2019. In 2013 he was appointed President Specialty Vehicles, a role he held until January 2019.

Currently, he is a Director of Exor N.V. (the diversified investment holding company listed on Euronext Amsterdam and qualifying as Iveco Group's major shareholder) and of CNH Industrial N.V. (the world-class agriculture, construction and services company listed on NYSE), Chairman of Comau Group S.p.A. (formerly Comau S.p.A., a worldwide leader in delivering advanced industrial automation products and systems), Chairman of Iveco Defence Vehicles S.p.A. and of Astra Veicoli Industriali S.p.A. (affiliates of Iveco Group) and Chairman of GVS S.p.A. (a leader in advanced filtration solutions). He is a Director of KIRKBI A/S, the holding and investment company which owns LEGO Group and, from May 2025, is also a member of the LEGO Group Board. He is a member of the Board of Istituto Italiano di Tecnologia, of the Strategic Advisory Board of 3 Boomerang Capital LLC and since January 2026 he has been serving as Director of Associated Spring US, LLC (leader in the engineered spring and precision metal component manufacturing).

Mr. Nasi holds a degree in Economics from the University of Turin.

External directorships in publicly listed companies (as of 31 December 2025):

- Exor N.V.
- CNH Industrial N.V.
- GVS S.p.A.

Meetings

Regular meetings shall be held according to the long-term calendar determined by the Board annually, based on the standard scheduling of activities and including consistent meetings of the Board's committees. In addition, special meetings of the Board shall be held whenever it is deemed convenient, including by direction of a majority of the Directors then in office. The Board of Directors can only transact business if a majority of the Directors in office and not disqualified from voting shall be present or represented by a co-member at such meeting. If at any

meeting a quorum is not present, a majority of the Directors present may adjourn the meeting from time to time, without notice other than adjournment at the meeting, until a quorum shall be present. The vote of the majority of the Directors present at any quorate meeting shall be the act of the Board; if there is a tie in a vote, the relevant resolution shall be deemed rejected. The Board is authorised to adopt resolutions without convening a meeting if all Directors have expressed their opinions in writing, and none has objected to the resolution being adopted in this way.

In additions to actions without meeting, the Board met eleven times during 2025. The following chart shows the Board members in charge at year-end and their attendance at Board meetings.

Board member	Heywood	Persson	Curran	Fain*	Erginbilgic	Kairisto	Knoll	Nasi	Simonelli
Attendance	11/11	11/11	11/11	10/10	9/11	11/11	11/11	11/11	11/11

* Clara Fain was appointed as a Director by the AGM on 16 April 2025

In these meetings, the Board addressed a number of topics, including the Company's general affairs and business, its results and expectations, its overall strategy, plans and specific risks/opportunities, the most relevant transactions, risk management, ESG-related and compensation issues, Iveco Group funding and its capital market performance. Best practice provisions 2.7.3, 2.7.4 and 2.7.5 of the DCGC were duly complied with. At all meetings of the full Board, the Non-Executive Directors separately met too, to discuss the functioning of the Board and its Committees, the Executive Directors' performance of their duties, the Company's strategy and general affairs.

Board practice

As recommended by the DCGC, the Board adopted internal regulations governing its (and its Committees') operations, including the decision-making process. The current version of the document (approved in November 2024 and available at the Company's website at www.ivecogroup.com) addresses composition, roles and responsibilities, calling, organization, quorum and minuting of meetings, action at and without meeting, information flows, determination of independence according to the DCGC, and conflicts of interest.

In this connection, the Regulations of the Board of Directors stipulate that a Director shall not participate in discussions and decision making with respect to a matter in relation to which they have a direct or indirect personal interest that is in conflict with the interests of the Company and the business associated with the Company (Conflict of Interest). In case, they shall immediately report the situation, so that the Non-Executive Directors can assess it, and – if they deem it appropriate – exclude the conflicted Director from the discussion and decision-making process with respect to the relevant matter or transaction; all conflicted transactions require the approval of the Non-Executive Directors. In addition, as – in compliance with the DCGC – the Company pursues the prevention of conflict of interest in general, the Board as a whole may, on an ad hoc basis, resolve that there is such a strong appearance of a Conflict of Interest of an individual Director in relation to a specific matter that it is in the best interest of a proper decision-making process that such individual Director be excused from participation, even though they may not have an actual Conflict of Interest. Finally, as a precautionary measure, in the event, based on the information available to the Company, there is a strong appearance of a Conflict of Interest of an individual member of the Board in relation to a specific matter, the Chairperson will exclude such a Director from the relevant information flow, pending a decision by the full Board. As per the DCGC's recommendation, all transactions in which there are conflicts of interest with Board members shall be agreed on terms that are customary in the market.

No decisions to enter into material transactions in which there are conflicts of interest with members of the Board were taken during the financial year 2025, with the exception of the agreement with Tata Motors, governing – inter alia – terms and conditions of the Tata Offer (the Merger Agreement, as announced on 30 July 2025). In this respect, in connection with the envisaged involvement of Exor N.V. in this transaction, Suzanne Heywood and Alessandro Nasi, due to their roles at Exor N.V., indicated to have an interest which may have the appearance of a conflict of interest. As a result, each duly notified that they considered themselves conflicted and therefore would not participate in the corresponding decision-making of the Board. In addition, as the Merger Agreement would be decided simultaneously with the sale of the Company's defence business to Leonardo (as announced on 30 July 2025), though with reference to this initiative no appearance of conflict could be acknowledged, as a cautionary measure and for the sake of maximum transparency and correctness they declared they would not participate in the deliberation and decision-making on either and both, and left the meeting. The respective decisions in these transactions were then taken by the remaining non-conflicted members of the Board.

At least annually, each Director shall assess in good faith whether (i) they are independent under the best practice provisions of the DCGC; and (ii) they would have a Conflict of Interest in connection with any transactions between the Company and a significant shareholder or related party of the Company, including affiliates of a significant shareholder (such conflict, a "Related-Party Conflict"), it being understood that currently Exor N.V. is considered a significant shareholder. Based on this self-assessment (part of the annual D&O questionnaire administered to all Board members), and any subsequent update provided by the individual Directors, the Board of Directors shall make its determinations regarding the individual Director's independence and Related-Party Conflict, such (at least annual) determinations being conclusive absent a change in circumstances.

Suzanne Heywood, who is the Chairperson, is also executive director and chairperson of CNH Industrial N.V., as well as Chief Operating Officer of Exor N.V.. Alessandro Nasi, who is a Non-Executive Director of the Company, is also a non-executive director of Exor N.V. and CNH Industrial N.V.. As a result, Suzanne Heywood and Alessandro Nasi owe duties both to Iveco Group and to CNH Industrial N.V. and Exor N.V., which may raise potential conflicts of interest should the Company have to enter into new transactions (or amend existing transactions as the case may be) with CNH Industrial N.V., Exor N.V. or their affiliates.

Pursuant to the Articles of Association, the Company is committed to indemnify all of its Directors, officers, former Directors, former officers (as well as any person who may have served at its request as a director or officer of another company in which it owns shares or of which it is a creditor), against expenses actually and necessarily incurred by any of them in connection with the defense of any action, suit or proceeding in which they are made parties, by reason of being or having been Director or officer, except in relation to matters as to which any such indemnified person shall be adjudged to be liable for negligence or misconduct in the performance of their duty.

In addition, Iveco Group has purchased Directors' and officers' liability insurance for the members of the Board of Directors and certain other officers, in line with international best practice.

By the end of 2025, in addition to a survey to verify due compliance with applicable corporate governance rules (the outcome of which was satisfactory), the Board undertook an evaluation of the Board, its Committees and individual members, in terms of composition, effectiveness and performance.

The evaluation consisted of a self-assessment, performed through the same written questionnaire as the questionnaire administered at the end of previous years, for the sake of comparison, covering Profile, Responsibilities and Functioning of the Board (and its Committees), with an invitation to comment on the various relevant topics. The response rate was 100%. The replies were aggregated and tabulated by the Corporate Secretary and represented the basis for subsequent one-to-one conversations with the Chairperson and collective discussion.

The conclusions from the evaluations will be considered in the ongoing furtherance of an ever more mature approach and practice of corporate governance at Board level. Overall the Board of Directors confirmed it believes the skill mix and combination of diversity factors are appropriate to enable the Board as a whole to manage its responsibilities and exercise its role effectively and considers its present composition well-suited to fulfil the Board's duties, vis-à-vis the existing and prospective Company's challenges. It has a good understanding of the business and the relevant competitive and regulatory scenarios, is aware of the impacts of the Company's operations, including beyond financials, is in a position to effectively direct, monitor, overview, and challenge the different aspects of the Company's business and operations, according to the capacities and responsibilities entrusted to the Board as such, as well as separately to Executive and Non-Executive Directors. It was further concluded that each of the Directors in charge demonstrate due commitment to their respective role in the Company.

BOARD COMMITTEES

As per the Articles of Association and the Regulations of the Board, the Board appointed among its Non-Executive Directors three committees to assist it to discharge its duties: an Audit Committee, an ESG Committee, and a Human Capital and Compensation Committee. The Board may appoint additional committees from time to time, as it deems necessary and appropriate to carry out its responsibilities and oversight function.

The terms of reference, tasks and relevant procedures for the proper functioning of the committees are set forth in the Regulations of the Board and their specific charters, as adopted by the full Board. The current version of the charters (approved in November 2024) is available at the Company's website at www.ivecogroup.com. The same rules applicable to the operations of the Board govern the committees, except that:

- attendance by proxy at a meeting of a committee is not allowed. If a quorum is not present, as an alternative to adjournment, the member(s) present and not disqualified from voting may unanimously appoint one or more Non-Executive Directors who are not regular members of the committee to act at the meeting in the place of any absent or disqualified member(s);
- a quorum of the committee consists of a majority (and if the committee consists of an even number of members, at least one-half) of the members thereof. If there is a tie in a vote, the chair of the committee shall have a casting vote.

As a rule, Directors who are not members of the specific committee are invited to attend its meeting, unless the committee decides otherwise.

Notwithstanding the establishment of committees to assist the Board on certain specified matters, the Board remains accountable for the work carried out by its committees and the performance and affairs of the Company. According to their terms of reference as presently in force, each of the Audit Committee, the ESG Committee and the Human Capital and Compensation Committee shall (i) assist and advise the Board in ensuring the Company's due compliance with the DCGC, with reference to the aspects in each committee's remit; (ii) collaborate and liaise with each other with reference to issues and topics of common interest; (iii) perform any specific task assigned by the Board from time to time; (iv) report regularly to the Board, making proposals and recommendations where they deem it appropriate, according to their remit in supporting the Board's decision-making. They are entitled to utilise the services of the appropriate personnel of the Company and its subsidiaries, and, if they deem it fit, without the Board's approval and at the Company's expense, to appoint, compensate and oversee the work of any outside advisor to assist them in connection with their responsibilities.

Audit Committee

The tasks, functions and organisation of the Audit Committee are described in detail in the Audit Committee charter, which is published on the Company website at www.ivecogroup.com.

The Audit Committee consists of at least three Non-Executive Directors and is chaired by a member who meets the independence requirements as set forth by the DCGC (as the majority of the members are required to do). All of them must be financially literate and have accounting or financial management expertise qualification, and at least one shall have competence in accounting and/or auditing. As a rule, no Director may serve as a member of the Company's Audit Committee if they already have the same role in more than four other public companies.

The Audit Committee shall assist and advise the Board by performing, inter alia, the following duties and responsibilities: (i) overseeing the integrity and quality of the Company's financial and sustainability disclosure, and the relevant reporting processes (including internal controls over financial and sustainability reporting); (ii) supervising the effectiveness of the design and operation of the Company's internal risk management

and control system; (iii) supervising and handling relations between the Company and its independent auditors for financial as well as sustainability reporting; (iv) supervising the Company's compliance with legal and regulatory requirements, in terms of overall business conduct as well as design, implementation and effectiveness of the Company's ethics and compliance programs; (v) overseeing the Company's tax policy, financing and funding; (vi) monitoring the application of information and communication technology, cybersecurity measures and personal data protection matters, and associated risks.

The Audit Committee shall meet at least four times every year, and whenever the Chair deems it appropriate, including vis-à-vis the recommendation or request by the Executive Directors, the Chief Financial Officer, the Chief Risk and Internal Audit Officer, the General Counsel or the Company's independent auditors. At present, the annual standard Audit Committee calendar foresees a total number of five meetings per year. The Audit Committee shall meet with the external auditor as often as it considers necessary, but at least once a year, outside the presence of the Executive Directors. If the independent auditors believe an issue should be raised with the Committee, the Committee will hear it in a timely manner. The independent auditors, the Chief Financial Officer, the Chief Risk and Internal Audit Officer and the General Counsel will attend the meetings of the Committee, unless the Committee determines otherwise. The Chief Public Affairs & Sustainability Officer will attend whenever the Committee discusses topics in their remit. The Executive Directors are entitled to attend the meetings of the Committee, unless the Committee determines otherwise, and shall attend them if the Audit Committee so requires. Where the chair deems it appropriate, they may invite and/or require other Company officers and/or employees to attend.

The Audit Committee is currently composed of: Essimari Kairisto as chair and Clara Fain (non-independent) and Lorenzo Simonelli as members. The Board acknowledged its members meet the relevant accounting and/or auditing competence requirements; the majority of them qualify as independent. The expertise and experience available in the Committee, in conjunction with the possibility to take advice from internal and external experts and advisors, are sufficient for the fulfillment of the tasks and responsibilities of the Audit Committee.

The Audit Committee met five times during 2025, duly and timely reporting its activities to the Board and the Non-Executive Directors. In preparation for the meetings, the Committee chair met one-on-one with management members and the external auditor, when she considered it appropriate. The following chart shows the attendance by the Audit Committee members in charge at year-end.

Committee member	Kairisto	Fain*	Simonelli
Attendance	5/5	3/3	5/5

*Clara Fain was appointed as a member of the Audit Committee by the Board on 16 April 2025.

In these meetings the Committee inter alia reviewed and discussed the annual and quarterly financial statements (and the independent auditors' review or audit thereof), the Group's tax strategy and tax report (in connection with the Company's admission to the Italian co-operative compliance regime), the Company's funding plan, the finetuning of the Company's internal control and risk management systems, the Company's risk assessment and risk appetite, the Company's key risks and controls relating to cybersecurity, performance and plans of the Company's internal audit function (including the adequacy of the remediation actions agreed with management vis-à-vis internal audit's findings and the appropriate follow-on activities) and the Company's external auditor, and – based on this performance review – the proposal for Deloitte Accountants B.V.'s re-appointment, the quality of the control environment and the evaluation of the internal audit function, major legal matters facing the Company (in terms of both compliance and litigation), and the implementation and effectiveness of the Company's ethics and compliance programs (including whistleblowing and anti-corruption policies).

ESG Committee

The tasks, functions and organisation of the ESG Committee are described in detail in the ESG Committee charter, which is published on the Company website at www.ivecogroup.com.

The ESG Committee consists of at least three Non-Executive Directors; at least one will be independent.

While fulfilling the role of the selection and appointment committee according to the DCGC, the ESG Committee is responsible for, among other things, assisting and advising the Board of Directors with respect to: (i) reviewing, assessing and recommending the size and composition of the Board and making proposals for its composition profile; (ii) drawing up (and reviewing) the selection criteria, nomination procedures and succession planning for the Company's directors; (iii) reviewing and assessing the performance and functioning of the Board collectively, its Committees, and the individual directors; (iv) making proposals for the nomination of candidates to be (re)appointed by the shareholders, taking into account the profile for the Board and the Company's Diversity, Equity and Inclusion (DEI) Policy, and consulting as appropriate with the Company's shareholders as to their views on suitable qualifications for, and identity of candidates to serve as directors; (v) monitoring and making recommendations for the composition, size, purpose, structure, and operations of the committees of the Board; (vi) overseeing the Company's ESG priorities, commitments, goals, risks, and opportunities and their integration in the overall Company's strategy and business model (including in terms of materiality analysis); (vii) overseeing the Company's relations and dialogue with its stakeholders on ESG and sustainability aspects; (viii) overseeing ESG policies, programs, and practices with a view to further the Company's business purpose, strategy, culture, values, and reputation; (ix) monitoring the Company's ESG performance, providing guidance on key ESG matters, and reviewing the Company's materiality analysis in preparation for its sustainability reporting; (x) reviewing the approach and overseeing the structure and contents of the Company's sustainability disclosure; (xi) overseeing the Company's inclusion in sustainability indexes and the evaluation of the Company by sustainability rating organizations.

According to its charter, the Committee shall meet at least once every year, and whenever the chair deems it appropriate, including vis-à-vis the recommendation or request by the Executive Directors, the Chief Public Affairs & Sustainability Officer, or the General Counsel. At present, the

annual standard ESG Committee calendar foresees a total number of four meetings per year. The Chief Public Affairs & Sustainability Officer and the General Counsel will generally attend the meetings of the ESG Committee, unless the Committee on an ad hoc basis decides otherwise, while the Chief Human Resources Officer, Chief Manufacturing Officer and Chief Supply Chain Officer (starting from the reorganization on 21 January 2025 the Chief Quality & Operations Officer), Chief Risk and Internal Audit Officer, and Chief Financial Officer will attend whenever the Committee discusses topics in their respective remits. The chair may invite and/or require the Executive Directors, other Company officers and/or employees to attend the meetings, as they deem appropriate.

The Committee is currently composed of: Alessandro Nasi as chair, Judy Curran, Tufan Erginbilgic and Linda Knoll as members. All members other than Alessandro Nasi qualify as independent.

In addition to informal working sessions, in 2025 the ESG Committee met four times, duly and timely reporting its activities to the Board and the Non-Executive Directors. The following chart shows the attendance by the ESG Committee members in charge at year end.

Committee member	Nasi	Curran*	Erginbilgic	Knoll
Attendance	4/4	3/3	3/4	4/4

*Judy Curran was appointed as a member of the ESG Committee by the Board on 16 April 2025.

In these meetings, the Committee inter alia addressed the Company's ESG strategy, targets, industry benchmarks, and engagement activities, making this the object of continuous monitoring (with a specific focus on health & safety, CO₂ performance, energy and water consumption); managed the nomination process in preparation for the (re)appointment of Board members (with due consideration of the existing guidelines on the Board composition and the Company's DEI Policy: see above and below); approved the evaluation process of the Board and its Committees; overviewed the Company's progress on alignment vs CSRD requirements and the preparation of the sustainability statement.

Human Capital and Compensation Committee

The tasks, functions and organisation of the Human Capital and Compensation Committee are described in detail in the Human Capital and Compensation Committee charter, which is published on the Company website at www.ivecogroup.com.

The Human Capital and Compensation Committee consists of at least three Non-Executive Directors; at least one will be independent.

While fulfilling the role of the remuneration committee according to the DCGC, the Human Capital and Compensation Committee is responsible for, among other things, assisting and advising the Board of Directors with respect to: (i) drafting the Company's remuneration policy; (ii) making proposals for the compensation of individual Executive Directors and administering its variable remuneration component; (iii) implementing and overseeing the remuneration policy as it applies to the Company's Non-Executive Directors and the Senior Leadership Teams (SLT); (iv) making proposals for and administering the equity incentive plans; (v) discussing with management the Company's policies and practices related to compensation items for employees; (vi) preparing the annual remuneration report; (vii) overseeing the development and succession plan for the Company's SLT, the Company's policies and initiatives related to equal employment opportunity, as well as employee diversity, equity, and inclusion, and the Company's initiatives designed to measure and improve overall employee engagement.

The Committee shall meet at least once every year, and whenever its chair deems it appropriate, including vis-à-vis the recommendation or request by the Executive Directors, the Chief Human Resources Officer, or the General Counsel. At present, the annual standard Human Capital and Compensation Committee calendar foresees a total number of five meetings per year. The Chief Human Resources Officer and the General Counsel will generally attend the meetings of the Committee, unless the Committee on an ad hoc basis decides otherwise. The chair may invite and/or require the Executive Directors, other Company officers and/or employees to attend the meetings, as they deem appropriate.

The Committee is currently composed of: Linda Knoll as chair, and Tufan Erginbilgic and Alessandro Nasi as members. All members other than Alessandro Nasi qualify as independent.

In addition to actions taken without meetings, in 2025 it met five times, duly and timely reporting its activities to the Board and the Non-Executive Directors. In preparation for the meetings, the Committee chair met separately with management members and/or the Committee's external advisor, when she considered it appropriate. The following chart shows attendance by its members.

Committee member	Knoll	Curran*	Erginbilgic	Nasi
Attendance	5/5	3/3	4/5	5/5

*Judy Curran was appointed as a member of the Human Capital and Compensation Committee by the Board on 16 April 2025.

In these meetings the Committee inter alia addressed the Executive Directors' compensation (submitting the relevant proposals to the Non-Executive Directors, as a result of internal analyses and external benchmarks), reviewed and discussed short-term and long-term variable pay initiatives (preparing the Board's relevant decision-making, as appropriate), the Company's DEI initiatives, as well as the Company's programs designed to enhance employee value proposition and improve overall employee engagement; it overviewed the senior management succession planning, the preparation of the annual compensation report (and the feedback from the AGM), as well as the review of the Company's remuneration policy and the 2025-2029 long term incentive plan, that were submitted to the AGM on 16 April 2025.

SENIOR LEADERSHIP TEAM

On certain key industrial matters, the Board is advised by the Company's Senior Leadership Team (the SLT), that serves to strengthen the quality of the Company's decision-making and the implementation of its strategy. As of 31 December 2025 it comprised 13 members excluding the CEO.

The SLT does not qualify as an executive committee according to the DCGC. The Board remains accountable for the decisions of the SLT which is supervised by the Non-Executive Directors. For this purpose, the SLT members, either directly or through the Chief Executive Director, provide the Non-Executive Directors with all information the Non-Executive Directors require to fulfil their responsibilities.

During 2025, in addition to the reporting by and through the CEO, the leaders of the various departments and business units (all SLT members) presented to the Board (in its full meetings or through its Committees) their operating results, defining and discussing the relevant indicators, business plans, long-term value creation strategies as well as their top risks, and specific projects and initiatives. The presentations and subsequent discussions allowed management to articulate their strategies for the achievement of the Company's strategic (business and ESG) objectives and the mitigation of risks, while giving the Board of Directors the opportunity to challenge and give feedback on the management's plans and overall approach.

DIVERSITY, EQUITY AND INCLUSION

In October 2023, the Board of Directors adopted a Policy on Diversity, Equity and Inclusion (DEI Policy), applicable to the Group's Board, management and entire workforce, acknowledging that DEI is business-critical, and not just a matter of compliance: Iveco Group's stance is that its people are the foundation that drives its business, offering diverse perspectives and thinking that help it develop as an organisation. They act as a stimulus for continuous improvement and contribute to the advancement of a more sustainable society. As such, the Group lists contributing diverse strengths among its core values and considers an inclusive and diverse environment to be beneficial to sustainable long-term value creation, as the basis of an effective, attractive and resilient organisation. The DEI Policy (to be read and construed in conjunction with Iveco Group's remaining governance documents, namely its Code of Conduct and the Human Rights Statement) is available in seven languages on the Governance section of the Group's website. Completing the training on this policy is mandatory for all Iveco Group's employees.

Provided that the composition of the Company's Board and workforce at large is based on competence, merit and talent, and the underlying rationale of the Group's entire remuneration approach is competitive rewarding of performance, in the framework of its overall strategic planning remit, the Board sets a range of targets addressing relevant DEI aspects with reference to the same Board, the members of the SLT and the overall workforce. These targets (that are short-, medium- or long-term, depending on the aspect to tackle) are intended to direct decision-making and operations and ensure focus. Their annual re-assessment (and possible fine-tuning) is meant to ensure ongoing consistency with the Iveco Group's evolving strategic priorities and actual capacities.

The goals (that are listed in the DEI Policy) span from fostering awareness on the topic, to counteracting (unconscious) bias through appropriate training and dialogue, to integrating DEI elements into the Group's performance, recruitment and talent development processes, whilst working for the progressive elimination of gender pay gap (that already is within EU Directive thresholds) and pursuing gender balance. With reference to the required setting of gender diversity targets for the senior management (that the Group identifies in the SLT), according to applicable Dutch law, the Group believes that women and men should each represent at least one-third of the members of the SLT. This goal was achieved in 2024 and due to organizational changes dropped down to 31% in 2025. In addition, to strengthen Iveco Group's DEI efforts and outcomes, a strategic sustainability target was incorporated into its Strategic Business Plan: to ensure that 30% of office positions overall are held by female office workers by year-end 2028.

Apart from target setting, the Board of Directors is responsible for ensuring adherence to the DEI Policy at strategic level, as well as monitoring its outcome and progress throughout time and providing proper disclosure.

Fostering a culture of Diversity, Equity, and Inclusion (DEI) remains a fundamental component of Iveco Group's sustainability priorities. In 2025, the governance and composition of the DEI Council were strengthened to advance the Iveco Group agenda with a renewed focus on high-impact initiatives. The DEI Council is chaired by the Chief Executive Officer, acting as Executive Sponsor, and includes the Senior Leadership Team in an advisory capacity, responsible for providing strategic input and ensuring the integration, support, and implementation of DEI initiatives within their respective functions to achieve corporate objectives. The Chief Human Resources Officer oversees the vision, strategy, and execution of DEI programs, while dedicated DEI ambassadors contribute specialized knowledge, guidance, and best practices. The DEI Council's mission is to foster a culture where everyone feels welcomed, valued, respected, and supported. It ensures consistency, longevity, and strategic prioritization of DEI initiatives. It aims to: (i) ensure alignment of DEI initiatives with the Company's purpose, values, strategy and sustainability priorities - not as a compliance exercise, but as a core component of our identity and impact; (ii) promote global collaboration to enrich our people journey and create a workplace where everyone can thrive and contribute their full potential; (iii) act as a catalyst for cultural transformation by amplifying diverse perspectives and turning commitments into meaningful and impactful actions; (iv) drive long-term progress by embedding DEI as a key enabler of innovation, performance, and competitiveness. In 2025, the DEI Council reaffirmed its priorities and commitment to advancing strategic alignment and governance, strengthening culture and awareness, attracting, developing, and retaining talent, building education and capabilities, enhancing engagement and communication, and ensuring robust measurement and external benchmarking. These priorities reflect our determination to make DEI an integral part of Iveco Group's growth and success.

Coming to the tools to implement the Group's DEI priorities, within the Human Resources Department, an ad-hoc office is responsible for creating DEI programs and initiatives and for promoting such a culture at all corporate levels in coordination with the HR heads of each business unit/ function, DEI Council and the Heads of Communication and Sustainability. This ensures that, in every aspect of the employment relationship – be it recruitment, training, compensation, development, promotion, or relocation – employees are treated based on their ability to meet the

requirements of the job, and all decisions are free from any form of discrimination. The DEI strategy is to integrate the principles and behaviours in our employee lifecycle process to ensure the sustainability of the approach.

Given Iveco Group's global presence, there may be differences in legislation among the countries where the Group operates, as well as different levels of awareness, concern, and ability among employees in applying the principles of non-discrimination. The Code of Conduct (please see below, under "Ethics and culture") and specific policies ensure that the same standards are applied worldwide. Indeed, as stated in the Code of Conduct itself, Group standards supersede in jurisdictions where legislation is more lenient.

In 2024, the Group achieved global EDGE Assess Certification after an assessment which covered 90% of its workforce, validating its commitment to workplace gender equity. This independent, third-party assessment confirms the progress in creating an inclusive environment through rigorous analysis of pay equity, gender representation, and organisational policies. By attaining this certification two years ahead of the Strategic Business Plan, Iveco Group demonstrates its ongoing dedication to foster diversity and equity within its global organisation.

Gender equity is a focal point for the Group. Women at Iveco Group constitute 20.5% of the global workforce.

An assessment to monitor the employment of people with disabilities was carried out in 2025 in 21 countries⁽¹⁾ (where the law requires companies to employ a minimum percentage of employees with disabilities) covering more than 93.5% of Group employees worldwide. The assessment showed that differently abled employees in the 21 countries make up 3.6% of the global employee headcount. It also showed that differently abled women account for 21.2% of the total assessed, while men account for 78.8%. In all other countries of operation, there is no legislation establishing minimum quotas for the employment of people with disabilities, although in some cases other forms of protection exist (i.e., related to working hours or workplace environments). In these countries, there are objective limitations to reporting the number of differently abled employees, as the information is sensitive and often subject to data protection legislation. As a result, the Group is only aware of employees' personal status if they choose to disclose it.

In 2025, the Group also carried out an employee nationality assessment at Iveco Group legal entities in 9 countries, covering 83% of Group employees worldwide, which evidenced that 7.7% of them were of a nationality other than the country assessed. It should be noted that this percentage remains higher for female employees (8.9%) than for male employees (7.4%). Germany, the USA, and Italy were the countries where Iveco Group legal entities employed the highest percentage of employees of a nationality other than that of the host country (18% in Germany, 11% in the USA, and 10% in Italy).

ETHICS AND CULTURE

The Company shares the definition of culture adopted by the DCGC and in this respect, since the very inception of its activities as a fully independent entity (Iveco Group is the result of the Demerger, effective as of the beginning of 2022) it has immediately worked for the definition of a set of values that may inform its employees' actions and resulting behaviours. The effort was towards making explicit the values already embedded in the Company's DNA, so as to ensure the engagement of its people in actively pursuing them, and through them the Company's sustainable success. Culture is not a given and cannot be imposed, but needs continuous fostering and nurturing (as well as guidance) and develops throughout time, jointly with the organization it belongs to. For the time being, we believe our culture responds to the Company's needs and priorities and is correctly represented:

- by our purpose: "Home of unique people and brands, that power your business and mission to advance a more sustainable society". This is the cornerstone of our business: it reflects the reason why our Company exists and illustrates how our products and services positively impact our customers, stakeholders and the communities where we operate.

- by our values:

"We go beyond the obvious". All of us at Iveco Group are determined to do more than what is expected or predictable. We encourage each other to set bold personal objectives and drive positive change and innovation while taking into consideration our impact on our local communities, the people and nature around us, and society as a whole.

"We contribute diverse strengths". We value the unique skills and points of views of all our people and we actively foster an inclusive environment where everyone is able to express their full potential. Our Diversity, Equity & Inclusion Council sets the framework and develops opportunities for all of us to contribute towards a truly equitable workplace.

"We take ownership". We work proactively and take full responsibility to meet the needs of our customers and stakeholders, holding ourselves accountable for the impact of our actions. Our aim is to do high-quality work with integrity and make a unique contribution to the company's offering of products and services for the mobility of today and tomorrow.

"We do what is right". Our Company acts with integrity always and everywhere, a commitment that makes our business stronger and more sustainable over time. We care passionately about respecting human rights and the environment, working systematically to uphold them within our internal operations and across our entire value chain.

⁽¹⁾ Data collected on 31 October 2025 in Austria, Brazil, China, Czech Republic, France, Germany, Italy, Poland, Portugal, Romania, Spain, Türkiye, and Ukraine, as well as in 8 additional countries (Algeria, Indonesia, Russia, Serbia, Slovakia, South Korea, Thailand and Tunisia) where, despite regulations requiring a minimum percentage of employees with disabilities, Iveco Group does not meet the minimum headcount threshold for these requirements to apply.

“We collaborate to win”. Iveco Group is home to unique people committed to reaching ambitious objectives – together. In addition to our strong collaborative culture within the Company, we also prioritise partnering with likeminded organisations that share our principles and join us enthusiastically to find innovative solutions.

No changes are presently foreseen, while ongoing initiatives are aimed at enhancing awareness, engagement, and pride in being part of the organization, based on the belief in the link between culture, accountability, sustainability and performance.

Consistently with all of the above, the Company has adopted a Code of Conduct that describes the Company’s values that contribute to a culture focused on long-term value creation for the Group and all of its stakeholders, which is the Board’s responsibility to create and foster. The Company periodically reviews and updates the Code of Conduct to ensure it is consistent with applicable laws and best practices.

In its current version (dating back to 2023) the Code of Conduct covers topics such as environment, health and safety, antitrust/competition, anti-corruption, data privacy, internal control, management of human resources, communities and respect of human rights. In a nutshell, it sets out the principles and the ethical values that contribute to the culture which the Company follows in the conduct of its activities and the quality and integrity which it requires of all its collaborators.

The Code of Conduct forms an integral part of the internal control system and sets out the principles of business ethics to which Iveco Group adheres and which Directors, officers, employees, consultants and all business partners are required to observe. Iveco Group uses its best endeavours to ensure that suppliers, consultants and any third party with whom Iveco Group has a business relationship be informed of the principles set forth in the Code of Conduct. In addition, the Company issued a Supplier Code of Conduct, which includes the Company’s guidelines and expectations for suppliers with regard to such areas as labour and human rights, the environment, trade restrictions and export controls, business ethics and anti-corruption, and reporting matters to the Company.

The Code of Conduct is available in eight languages on the Governance section of the Company’s website (www.ivecogroup.com), and on the Company’s Intranet site. The Supplier Code of Conduct is available on the Governance section of the Company’s website and on the Company’s Intranet site and is available in six languages.

The Company has established dedicated channels of communication to enable Iveco Group’s employees, customers, suppliers, and other third parties to report suspected general, operational and financial wrongdoing within the Company. The Company’s Compliance Helpline is managed by an independent third party. Reports may be submitted through a dedicated web portal (www.ivecogroupcompliancehelpline.com), by app, by phone (to a call centre managed by a third party), or in person to an authorised manager. In those countries where the law establishes that each Legal Entity meeting certain dimensional thresholds must have its own reporting channel, reports can be made either to the Group Compliance Helpline or to the relevant Legal Entity Compliance Helpline. In this case reports will be handled by the appointed persons for the Legal Entity concerned. Where legally permissible, reports may be submitted on an anonymous basis. Company employees are required to report compliance issues and can rely on the Company’s prohibiting any form of retaliation against whistleblowers even if their concerns are ultimately found to be unsubstantiated after investigation. Iveco Group is committed to ensure a secure reporting environment that encourages whistleblowers to speak-up and raise issues and concerns without fear. The Company investigates reports submitted and, in appropriate cases, implements corrective and/or disciplinary actions. Matters assessed as material (based on the extent of the potential penalties or monetary losses involved, the seniority of the implicated person, or the nature of the alleged violation) are properly escalated and reported up to the Audit Committee. In 2025, out of 241 reports 23 cases were classified as material and reported as such.

The Group’s ethics and compliance program is managed by the Chief Legal & Compliance Officer (the CLCO). The Company’s CLCO reports to the Company’s Chief Executive Officer. As a rule, the CLCO reports on (at least) a quarterly basis to the Audit Committee. The CLCO’s reports to the Audit Committee include such things as compliance training and communications activities, material compliance and ethics trends and topics, matters reported to the Compliance Helpline, the status of investigations, and the effectiveness of the compliance and ethics program. The CLCO is responsible for, among other things, maintaining awareness across the organisation about the Code of Conduct, and amending the same if and as determined by the Executive Directors or by the Board, creating and deploying compliance training, managing the Compliance Helpline (including investigating reported matters), assessing legal and compliance risks and working with the relevant stakeholders to develop compliance related policies, procedures and controls to effectively manage such risks.

Actual implementation of the Code of Conduct is primarily ensured by training. The 2025 Code of Conduct training course (titled “Guided by Iveco Group Values: Living the Code of Conduct”) focused on essential values of Iveco Group, promoting ethical behaviors and guiding principles to conduct business according to the highest standards of integrity; it was made available to approximately 12,200 employees worldwide (salaried and above). Additionally, targeted compliance trainings were provided on the following topics: “Antitrust and Competition Law”, “Data Privacy & AI – act with responsibility”; “Legislative Decree 231/01: Corporate Administrative Liability Management System” (launched only in Italy), “Anticorruption and Fraud risks”.

The Group’s Code of Conduct is supplemented by additional corporate policies, guidelines and procedures. These cover specific areas of higher risk given the nature and extent of the Company’s business such as: conflicts of interest, bribery and corruption, antitrust/competition law, international trade compliance, and data privacy. Each year certain categories of employees (i.e. those deemed to have responsibilities presenting potentially greater risk to the Company), as well as all Board members, are required to formally acknowledge, in writing, that they have read both the Iveco Group Code of Conduct and the Conflict of Interest Policy and understand their contents and to declare the presence of any personal interests that might violate the Conflict of Interest Policy.

RELATED PARTY TRANSACTIONS POLICY

The Board has a related party transaction policy in accordance with Dutch law and the DCGC, for the purpose of providing a procedure that prevents related parties from unduly taking advantage of their position and provides adequate protection for the interests of the Company and its stakeholders. The policy stipulates that transactions with related parties within the meaning of International Accounting Standard 24 are relevant to the extent either (i) the information concerning the transaction qualifies as inside information (pursuant to the European Market Abuse Regulation), or (ii) the counterparty is a Director or a qualified (over 10%) shareholder, and the transaction is of material significance (such transaction to be agreed on terms that are customary to the market).

In particular, the related party transaction policy provides procedures for members of the Board to notify any potential related party transaction, and specific disclosure requirements. The assessment whether the transaction actually qualifies as a relevant related party transaction is up to the Board, and no transaction duly qualified as such shall be undertaken without approval of the Board (and a majority of the votes cast by Non-Executive Directors being in favour), without interested Directors (if any) participating in the decision-making process.

The current version of the Company's Related Party Transactions Policy is available at the Company's website at www.ivecogroup.com.

Agreements with CNH Industrial N.V.

Iveco Group was separated from CNH Industrial N.V. (CNH) by way of a Dutch law statutory demerger procedure which became effective on 1 January 2022 (the Demerger). Prior to the completion of the Demerger, the Company was a wholly-owned subsidiary of CNH. In the context of the Demerger, CNH and the Company entered into agreements, primarily of commercial nature, but also covering general administrative and specific technical matters as well as services provided by CNH and vice versa.

Master Service Agreement

In relation to lease of premises and several corporate services provided by the Company to CNH or vice versa, a Master Services Agreement (MSA) is in place whereby each party (and its subsidiaries) may provide services to the other (and its subsidiaries), in substantial continuity with previous practice before the Demerger.

The MSA is intended as an umbrella agreement, while the identification of each of the services and their specific terms and conditions is governed by ad hoc opt-in arrangements. Upon termination of the service, the receiving party may be required either to purchase the line of business providing such services at fair market value or to indemnify the service provider from any direct cost incurred as a result of such termination.

Engine Supply Agreement

In relation to the design and supply of off-road engines from the Company to CNH, a ten-year Engine Supply Agreement (ESA) was entered into whereby the Company (through FPT Industrial) sells to CNH diesel, CNG and LNG engines and provide post-sale services. Prices of the engines at the time had been agreed consistently with past practices before the Demerger and subject to revision for raw material cost fluctuations, while the price of future engines will be agreed between the parties. The ESA provides for mechanisms incentivizing both parties to maximize efficiencies and quality improvements.

Financial Service Agreement

In relation to financial services activities, the Company and CNH entered into a Master Services Agreement (FS MSA), whereby each party (and its subsidiaries) has agreed to provide services to the other (and its subsidiaries) and/or financial services activities to their customers, distribution networks, and suppliers, substantially at the same terms and conditions in place before the Demerger. Under the terms of the FS MSA, the servicing of the receivable portfolios originated by captive activities will be performed by Iveco Group's Financial Services segment insofar as it relates to the European operations of both groups, whereas CNH will provide financial services to Iveco Group companies in the rest of the world. The FS MSA initial term was three years and at the end of 2024 it was renewed for an additional three-year period. Upon termination the party receiving services may be required either to purchase the line of business providing such services at fair market value or to indemnify the service provider from any direct cost incurred as a result of such termination.

TAX TRANSPARENCY

Our Approach to Tax Matters

Everything we do, both within and outside the Company, is according to the highest ethical standards as outlined in our Code of Conduct, which applies to every aspect of our business, all levels of our organisation, and every geographic area in which we operate.

The same applies to how we approach tax matters. For this reason, in 2022, the Board of Directors of Iveco Group N.V. (hereinafter Iveco Group) – which has collective responsibility for the strategy of the Company and its consolidated subsidiaries, including all joint ventures in which the Company holds a controlling interest – approved the Iveco Group Tax Strategy, which guarantees that our tax behaviour is consistent with our ethical principles. The Tax Strategy, publicly available on our corporate website, reflects the set of values recognised as the underlying principles of Iveco Group's tax approach, and provides the relevant guidelines to ensure the Company's integrity and reputation over time, as well as consistency when conducting business affairs and when dealing with tax risks across our entities.

The Board of Directors is responsible for ensuring that the purposes, principles, and guidelines set out in our Tax Strategy are promoted internally, and that its underlying values are applied and disseminated consistently. Each update of the Tax Strategy must be approved by the Board of Directors. The Audit Committee assists and advises the Board, and acts under authority delegated by the Board, with respect to the Tax Strategy thus adopted.

Iveco Group's principles are founded on tax legality, tax sustainability, tax transparency, and the pursuit of value creation for our stakeholders.

Our Tax Guidelines

Iveco Group's Tax Strategy incorporates a number of guidelines to ensure the effective implementation of our tax principles, steering the management of our tax affairs by establishing the appropriate processes to guarantee the efficacy and application of these principles. These guidelines provide for the following tax practices:

- **transfer pricing:** Iveco Group's cross-border intercompany transactions are regulated, for tax purposes, on the basis of the arm's length principle, as outlined by the OECD⁽²⁾ (in the Model Tax Convention and in the Transfer Pricing Guidelines), with the aim of aligning, as fairly as possible, the transfer pricing outcomes to value creation. Iveco Group also complies with the provisions of OECD Guidelines on transfer pricing documentation
- **aggressive tax planning:** Iveco Group does not engage in conduct and/or operations, whether domestic or cross-border, that result in purely artificial arrangements devoid of economic reality, and from which improper tax advantages can reasonably be expected to the extent that they are contrary to the purpose or spirit of the relevant tax provisions or regulations
- **low tax jurisdictions and economic substance:** Iveco Group is committed to having a tax presence only where it carries out substantial economic activity, and therefore does not make artificial use of tax havens for the sole purpose of reducing the Company's tax burden
- **tax whistleblowing:** in compliance with the provisions of our Code of Conduct, Iveco Group is committed to fully implementing and maintaining a procedure that allows its employees and third parties to report alleged irregularities or suspicious conduct in tax matters
- **agree to disagree:** in the interests of the Company and its stakeholders, Iveco Group supports – even through dispute resolution processes – interpretative positions that are considered sound and reasonable, even if not shared by tax authorities, including within the framework of cooperative compliance regimes.

⁽²⁾ Organisation for Economic Co-operation and Development.

Tax Governance, Control, and Risk Management

Governance

Based on Iveco Group's organisational model, our central Tax Department is responsible for:

- modifying our Tax Strategy and adapting it to changes in our business model and to regulatory requirements
- identifying optimisation initiatives
- monitoring key tax issues
- providing support to other Iveco Group departments.

The Tax functions across our jurisdictions and business units act in compliance with the provisions of our Tax Strategy and under the coordination of the central Tax Department, to ensure the correct execution of tax obligations at local level. We see to it that the Tax Department is adequately resourced (from a personnel, material, and financial perspective) and appropriately organised to perform its functions. It is responsible, among other things, for promoting the culture and values of tax compliance, and organises training initiatives for our people, including those not part of the Tax Department itself.

Tax Risks and Control Management

We have committed to designing and implementing an internal control system to assist in the identification, evaluation, and prioritisation of tax risks, followed by a coordinated and balanced application of resources to minimise, monitor, and control the probability or impact of any adverse events. This system, the Tax Control Framework (TCF), has already been adopted by our main companies, and will be progressively extended throughout Iveco Group. Through our TCF, which is aligned with OECD Guidelines, we are able to ensure the proper execution of tax risk assessments, identify tax risks while verifying the controls in place at operational level, and see to it that the roles and responsibilities within our tax management process are clearly defined and assigned, with due consideration given to the principles of segregation and escalation of decisions.

The TCF is part of a broader system of internal controls and corporate risk management, in which the various components (including the TCF) work in synergy to ensure maximum effectiveness and efficiency in protecting Iveco Group from business risks. This synergy is achieved by establishing specific information flows between the different internal control departments, so that each can benefit from the results of checks carried out by the others according to their respective spheres of competence.

In accordance with applicable international best practices, Iveco Group's TCF provides for three levels of control against risk. Specifically, the Tax Risk Office is in charge of second-level controls and for the implementation of adequate monitoring to ensure that our internal tax risk control system is up-to-date and fit for the mitigation purpose for which it is designed. The Tax Risk Office is placed under the hierarchical structure of the Tax Department but does not perform operational tax compliance activities or interpret tax regulations, as per the principle of segregation of duties. Meanwhile, the third-level controls are overseen by the Enterprise Risk Management and Internal Audit Department, which verifies the effectiveness of the TCF and its compliance with the guidelines provided for by Iveco Group's Tax Strategy.

On an annual basis, the Tax Risk Office and the Tax Department draw up a report for the Audit Committee and the Board of Directors on the TCF's operational effectiveness in ensuring that the Iveco Group entities that have adopted it are in control of their tax processes. The report also addresses how the processes in place are actually implemented, maintained, and monitored.

Stakeholder Engagement and Concerns Over Tax Matters

Tax Authority Engagement

In accordance with the principles of our Tax Strategy, and in order to enhance our relationships of trust with tax authorities, Iveco Group promotes adherence to cooperative compliance regimes in those countries where these regimes are available. In this regard, Iveco Group and its main Italian subsidiaries have been admitted to the Italian cooperative compliance regime. Our aim is to gain more tax certainty by encouraging our entities that meet the requirements of similar regimes in their respective countries to gradually follow suit.

In addition to adhering to cooperative compliance regimes, Iveco Group operates with transparency and good faith in all its relations with tax authorities, including in the event of tax audits. Moreover, to avoid double taxation, the Company promotes mutual agreement procedures for the settlement of international disputes, directly involving the tax authorities from the contracting countries.

Creating Value for Stakeholders

Iveco Group manages its taxes in part through available incentives and provisions that allow for the optimisation of its tax burden. Moreover, taxes are managed in compliance with the principle of legality, and with the aim of safeguarding the Company's assets while pursuing its main goal to create sustainable value for all stakeholders in the medium and long term.

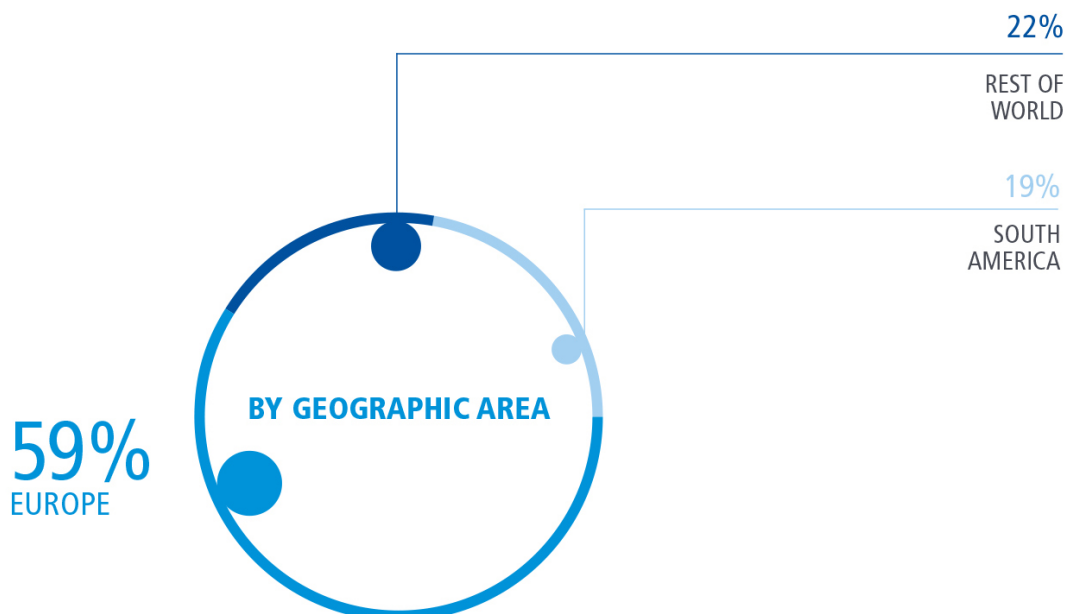
Reporting

We firmly believe that taxes are a key contributor to the economies of the jurisdictions in which we operate. Our business activities generate tax revenues for the governments of our countries of operation. We therefore intend to provide a timely disclosure of the allocation of income taxes paid for fiscal year 2025, reporting the total income taxes paid by Iveco Group's (Continuing and Discontinued Operations) companies by

geographic area, including: income tax advance payments; income taxes related to the previous fiscal year (i.e., income tax balances related to 2024); taxes paid in reference to the tax assessments of previous fiscal years; and withholding taxes applied on cross-border payments.

2025 Income Tax Paid

Iveco Group worldwide



SHARE CAPITAL

Amount

The Company's authorised share capital amounts to €8,000,000, divided into 400,000,000 Common Shares and 400,000,000 Special Voting Shares, each having a par value of one euro cent (€0.01) and carrying the same voting rights. All Shares are in registered form and no certificates were issued. As of 31 December 2025, the Company's issued share capital amounted to €3,454,589.70 and was divided into 271,215,400 Common Shares and 74,243,570 Special Voting Shares, respectively representing 78.51% and 21.49% of the aggregate issued share capital.

Loyalty Voting Program

According to the loyalty voting program the Company has in place, at any time, subject to meeting certain conditions, the Common Shares can be registered in the Company's Loyalty Register and all such Common Shares qualify as Qualifying Common Shares if held in such register for an uninterrupted period of at least three years after registration. The holder of Qualifying Common Shares is entitled to receive without consideration one Special Voting Share in respect of each such Qualifying Common Share. Pursuant to the Terms and Conditions of the Special Voting Shares, and for so long as the Common Shares remain in the Loyalty Register, such Common Shares shall not be sold, disposed of, transferred, except in very limited circumstances (i.e. transfers to affiliates or to relatives through succession, donation or other transfers (defined in the Terms and Conditions of the Special Voting Shares as Loyalty Transferee)), but a Shareholder may create or permit to exist any pledge, lien, fixed or floating charge or other encumbrance over such Common Shares, provided that the voting rights in respect of such Common Shares and any corresponding Special Voting Shares remain with such Shareholder at all times. Shareholders who want to directly or indirectly sell, dispose of, trade or transfer their Common Shares that are registered in the Company's Loyalty Register to anyone other than a Loyalty Transferee, or otherwise grant any right or interest therein, or create or permit to exist any pledge, lien, fixed or floating charge or other encumbrance over such Common Shares with a potential transfer of voting rights relating to such encumbrances will need to submit a de-registration request. After de-registration from the Loyalty Register, the holder of such Common Shares is required to offer and transfer the Special Voting Shares associated with such Common Shares (if any) to the Company for no consideration (*om niet*). As a result, any transfer of Common Shares that are registered on the Loyalty Register, other than to a Loyalty Transferee, will trigger the de-registration of such Common Shares from that register and any

associated Special Voting Shares will automatically be surrendered to the Company for no consideration and any voting rights attached to the corresponding Special Voting Shares will be suspended with immediate effect. The Special Voting Shares will not entitle the long-term Shareholder to any material additional economic entitlement. The entitlement to dividend and other distribution will effectively be calculated on the basis of the number of Common Shares held by a Shareholder, irrespective of the number of Special Voting Shares such a Shareholder may also hold. Nevertheless, outstanding Special Voting Shares will be entitled to a minimal dividend per Special Voting Share of 1% of the nominal value of such Special Voting Share, which is then allocated to the Special Voting Shares Dividend Reserve. Only the holders of Special Voting Shares hold entitlement to the balance of the Special Voting Shares Dividend Reserve. The distribution of any amounts from the Special Voting Shares Dividend Reserve can only be authorised with the approval of the General Meeting of the holders of Special Voting Shares upon proposal of the Board. The power to vote upon the distribution from the Special Voting Shares Dividend Reserve will be the only power that is granted to that meeting. The Special Voting Shares will not have any other economic entitlement.

Further, pursuant to the Articles of Association, the Company shall maintain a special capital reserve to be credited against the share premium exclusively for the purpose of facilitating any issuance or cancellation of Special Voting Shares. The obligation to pay up the Special Voting Shares upon their issuance will be fully settled against the special capital reserve. There will not be any additional payments required from those being issued the Special Voting Shares.

Pursuant to the Terms and Conditions, any amendment to the Terms and Conditions of the Special Voting Shares (other than merely technical, non-material amendments and unless such amendment is required to ensure compliance with applicable law or regulations or the listing rules of any securities exchange on which the Common Shares are listed) may only be made with the approval of the General Meeting.

Issue and repurchase of shares

For a period of five years from 3 January 2022 up to and including 3 January 2027, the Board of Directors has been irrevocably authorised through article 5, paragraph 8 of the Articles of Association to issue Special Voting Shares up to the maximum aggregate amount of Special Voting Shares as provided for in the Company's authorised share capital. For a period of five years from 1 January 2022 and therefore ending 1 January 2027, the Board of Directors has been authorised by the General Meeting by way of written resolution adopted on 30 December 2021 as authorised body to issue Common Shares and to grant rights to acquire Common Shares in the capital of the Company, which authorization is limited to the issuance of 15% of the total number of Common Shares issued in the capital of the Company as of 1 January 2022. By way of a written resolution adopted by shareholders on 30 December 2021 for a period of five years starting from 1 January 2022 and therefore ending 1 January 2027, the Board of Directors has been also authorised by the shareholders as authorised body to limit or exclude the statutory preemptive rights of shareholders in connection with the issuance of Common Shares or rights to acquire shares in the capital of the Company, pursuant the share issuance authorization described above.

The Board of Directors is authorised to acquire Special Voting Shares in the capital of the Company for no consideration. In addition, on 16 April 2025 the AGM authorised the Board to decide upon the acquisition of the Company's own Common Shares through purchases on the stock exchange and/or multilateral trading facilities, directly and/or otherwise, for a period of 18 months from the date of the AGM, i.e. up to and including 15 October 2026, in one or more transactions, subject to market and business conditions and in compliance with applicable rules and regulations. Such authorisation replaced the pre-existing one granted by the AGM on 17 April 2024. The Board's authority is limited to a maximum of up to 10,000,000 Common Shares with a maximum total allocation to this end of €130,000,000. No share buy-back program was carried out in 2025: for additional details please see Note 21 "Equity" to the Consolidated Financial Statements.

DISCLOSURES PURSUANT TO EU-DIRECTIVE ON TAKEOVERS

In accordance with Dutch rules implementing the EU Takeover Directive, the Company makes the following disclosures:

- a. For information on the rights attached to the Common Shares, please refer to the Articles of Association which are posted on the Company's website. To summarize, the rights attached to Common Shares comprise pre-emptive rights upon issue of Common Shares, the entitlement to attend the General Meeting and to speak and vote at that meeting and the entitlement to distributions of such amount of the Company's profit as remains after allocation to reserves. For information on the rights attached to the Special Voting Shares, refer to the Articles of Association and the Terms and Conditions for the Special Voting Shares which can both be found on the Company's website and more in particular to the paragraph "Loyalty Voting Program" of this Report. As at 31 December 2025, the issued share capital of the Company consisted of 271,215,400 Common Shares, representing 78.51% of the aggregate issued share capital, and 74,243,570 Special Voting Shares, representing 21.49% of the aggregate issued share capital.
- b. The Company has imposed no limitations on the transfer of Common Shares. The Articles of Association provide in Article 11 for transfer restrictions for Special Voting Shares. The Company is not aware of any depository receipts having been issued for shares in its capital.
- c. For information on participations in the Company's capital in respect of which pursuant to the Dutch Financial Supervision Acts (*Wet op het financieel toezicht*) notification requirements apply, refer to the chapter "Major Shareholders" of this Report. There you will find a list of shareholders who are known to the Company to have holdings of 3% or more.
- d. No special control rights or other rights accrue to shares in the capital of the Company.
- e. Current equity incentive plans adopted by the Company are administered by the Human Capital and Compensation Committee.

- f. No restrictions apply to voting rights attached to shares in the capital of the Company, nor are there any deadlines for exercising voting rights. The Articles of Association do not allow the Company to cooperate with the issue of depository receipts for shares.
- g. On 30 July 2025 Exor NV agreed to an irrevocable undertaking to support the Tata Offer and tender its shareholding and vote in favour of the resolutions that would be proposed at an extraordinary general meeting to be held in connection with the Tata Offer. Subject to settlement of the Tata Offer, Exor NV has agreed to transfer its special voting shares back to Iveco Group for nil consideration. The Company is not aware of the existence of any other agreements with shareholders which may result in restrictions on the transfer of shares or limitation of voting rights.
- h. The rules governing the appointment and dismissal of members of the Board of Directors of the Company are stated in the Articles of Association of the Company. All members of the Board of Directors are appointed by the General Meeting. The term of office of all members of the Board of Directors is for a period expiring on the day the first AGM is held in the following calendar year. The General Meeting has the power to dismiss any member of the Board of Directors at any time. The rules governing an amendment of the Articles of Association are stated in the Articles of Association and require a resolution of the General Meeting which can only be passed pursuant to a prior proposal of the Board of Directors of the Company.
- i. The general powers of the Board of Directors are stated in the Articles of Association of the Company. For a period of five years from 3 January 2022 up to and including 3 January 2027, the Board of Directors has been irrevocably authorised through article 5, paragraph 8 of the Articles of Association to issue Special Voting Shares up to the maximum aggregate amount of Special Voting Shares as provided for in the Company's authorised share capital as set forth in Article 3, paragraph 1 of the Articles of Association. For a period of five years from 1 January 2022 and therefore ending 1 January 2027, the Board of Directors has been authorised by the General Meeting by way of written resolution adopted on 30 December 2021 as authorised body to issue Common Shares and to grant rights to acquire Common Shares in the capital of the Company, which authorization is limited to the issuance of 15% of the total number of Common Shares issued in the capital of the Company as of 1 January 2022. By way of a written resolution adopted by shareholders on 30 December 2021 for a period of five years starting from 1 January 2022 and therefore ending 1 January 2027, the Board of Directors has been also authorised by the shareholders as authorised body to limit or exclude the statutory preemptive rights of shareholders in connection with the issuance of Common Shares or rights to acquire shares in the capital of the Company, pursuant the share issuance authorization described above. The Board of Directors is authorised to acquire Special Voting Shares in the capital of the Company for no consideration. Further rules governing the acquisition of shares by the Company in its own share capital are set out in article 7 of the Articles of Association of the Company. According to its provisions, the shareholders' meeting on 16 April 2025 authorised the Board to decide upon the acquisition of the Company's own Common Shares through purchases on the stock exchange and/or multilateral trading facilities, directly and/or otherwise, for a period of 18 months from the date of the AGM, i.e. up to and including 15 October 2026, in one or more transactions, subject to market and business conditions and in compliance with applicable rules and regulations. Such authorization replaced the pre-existing one granted by the AGM on 17 April 2024. The Board's authority was limited to a maximum of up to 10,000,000 Common Shares with a maximum total allocation to this end of €130,000,000. No share buy-back program was carried out in 2025: for additional details please see Note 21 "Equity" to the Consolidated Financial Statements.
- j. The Company is not a party to any significant agreements which will take effect, will be altered or will be terminated upon a change of control of the Company as a result of a public offer within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), provided that some of the loan agreements entered into by the Company contain clauses that, as it is customary for such financial transactions, may require early repayment or termination in the event of a change of control of the guarantor or the borrower. In certain cases, that requirement may only be triggered if the change of control event coincides with other conditions, such as a credit rating downgrade.
- k. Under the terms of the Iveco Group Equity Incentive Plan (Iveco Group EIP) and the terms of engagement entered into with certain executive officers, executives may be entitled to receive severance payments of up to one (1) times their annual cash compensation and accelerated vesting of awards under plans issued under the Iveco Group EIP if, within twenty-four months of a Change of Control (as defined therein), the executive's employment is involuntarily terminated (other than for Cause, as defined therein) by the relevant entity of the Iveco Group or is terminated by the participant for Good Reason (as defined therein).

COMPLIANCE WITH DUTCH CORPORATE GOVERNANCE CODE

While the Company endorses the principles and best practice provisions of the DCGC, its current corporate governance structure deviates from the following best practice provisions as follows:

- The Board has not appointed a vice-chairman in the sense of best practice provision 2.3.7 of the DCGC. Nevertheless, the Board Regulations provide that in the absence of the Non-Executive Director entrusted with the duties attributed by the DCGC to the chair of the management board in one-tier companies a majority of the Non-Executive Directors present at a meeting shall choose the director to preside at the Board proceedings. The Company considers the above sufficient to ensure that the role and function assigned by the DCGC to the vice-chairman is properly discharged.
- Pursuant to best practice provision 4.1.8 of the DCGC, Executive and Non-Executive Directors nominated for appointment should attend the AGM at which votes will be cast on their nomination. Since, pursuant to the Articles of Association, the term of office of Directors is approximately one year, such period expiring on the day the first AGM is held in the following calendar year, all members of the Board of Directors are nominated for (re)appointment each year. By publishing the relevant biographical details and curriculum vitae of each nominee for (re)appointment, the Company ensures that the Company's General Meeting is well informed in respect of the nominees for (re)appointment and in practice only the Executive Directors will therefore – as a rule – attend the AGM.

- The Company does not have a retirement schedule as referred to in paragraph 2.2.4 of the DCGC. On the other hand, pursuant to the Articles of Association, the term of office of Directors is approximately one year, such period expiring on the day the first AGM is held in the following calendar year.
- Under best practice provision 5.1.3, the chairperson of the board should be an independent Non-Executive Director. In accordance with section 14(2) of the Articles of Association, the Board entrusted to an independent Non-Executive Director the duties attributed by the DCGC to the chair of the board in one-tier companies (or to the chair of the supervisory board in two-tier companies) and granted to such independent Non-Executive Director the title of ‘Senior Non-Executive Director’ (so as to distinguish such Director from the Chairperson of the Company, who is an Executive Director). As a consequence, despite the difference in corporate titles, the Company believes it complies with best practice provision 5.1.3, as the current Senior Non-Executive Director satisfies the requirements described in best practice provision 5.1.3 of the DCGC.

COMPLIANCE WITH *BESLUIT VAN 23 DECEMBER 2004*

In accordance with the Dutch Decree on establishing further rules regarding the content of the annual report (*Besluit van 23 december 2004 tot vaststelling van nadere voorschriften omtrent de inhoud van het jaarverslag*: the Decree), the Company states as follows:

- the statement relating to the compliance with the principles and best practices of the DCGC, including the motivated deviation of the compliance of the Code, can be found in the section “Compliance with Dutch Corporate Governance Code” of this Governance Statement;
- the statement concerning the most important characteristics of the control and risk management systems in relation to the process of the financial accounting of the Company and the Group, can be found in the section “Principal Characteristics of the Internal Control System and Internal Control over Financial Reporting” of the chapter “Risk Management and Internal Control System”;
- the statement about the functioning of the general meeting of shareholders and the most important powers thereof as well as the rights of shareholders and how these may be executed, can be found in the section “General Meeting of Shareholders” of this Governance Statement;
- the statement regarding the composition and functioning of the board of directors can be found in the section “Board of Directors” of this Governance Statement;
- the statement regarding the diversity policy in relation to the composition of the board of directors, the policy’s objectives, the implementation of the policy as well as the results thereof during the past financial year can be found in the sections “Board of Directors/Responsibilities and Composition” and “Diversity, Equity and Inclusion” of this Governance Statement;
- the statement in accordance with Decree implementing Article 10 EU Directive on Takeovers (*Besluit artikel 10 overnamerichtlijn*) can be found in the section “Disclosures Pursuant to EU-Directive on Takeovers” of this Governance Statement.

REPORT OF THE NON-EXECUTIVE DIRECTORS

Supervision

The Board of the Company is structured as a one-tier board, made up of Executive Directors and Non-Executive Directors. Details of the current composition and the actual functioning of the Board in 2025 (including the participation by individual members to the meetings) are set forth in the section “Board of Directors”.

The Non-Executive Directors are responsible for the supervision of the policy and the general course of affairs of the Company and its affiliated enterprise, including the implementation of the Company’s long-term value creation strategy, as carried out on a day-by-day basis by the Executive Directors. The Non-Executive Directors perform this task independently and critically vis-à-vis one another, the Executive Directors, and any particular interest involved.

With a view of exercising their supervisory role, in 2025 the Non-Executive Directors regularly discussed the Company’s business plans and strategy, their implementation and evolution, and the risks associated with them with the Executive Directors and the SLT. In so doing, they focused on performance and strategy of the single Business Units, cash flow and debt management, tax, ESG related matters, Company’s culture and policies, compliance matters and regulatory developments, investment opportunities and relevant transactions, executive compensation, major litigations, the effectiveness of the Company’s internal risk management and control system, the performance of Deloitte in conducting the external audit activity, also in preparation for its nomination for re-appointment, as well as the integrity and quality of the financial reporting, reviewing the Company’s periodic disclosure. In this connection, as a rule a portion of each meeting of the full Board is organised as an executive session of the Non-Executive Directors, which gives them opportunity of unbiased analysis of the Company’s general affairs. Moreover, in 2025 Non-Executive Directors collectively and individually interacted with Executive Directors and SLT members and/or other representatives of the Company’s senior management outside of formal meetings, particularly during in person events where corporate premises were visited.

According to the Articles of Association, the Board of Directors has allocated certain specific responsibilities to the Audit Committee, the ESG Committee and the Human Capital and Compensation Committee, which are entirely made up of Non-Executive Directors and report to the full Board in the latter’s first available meeting, for information, acknowledgment, endorsement, or action by the Board (and/or its Non-Executive Directors), as the situation requires. Details on the manner in which these Committees have carried out their duties, their composition, the numbers of meetings which took place in 2025 and the main topics discussed are set forth in the corresponding sections of this Report.

Independence

The non-executive directors are required by Dutch law to act solely in the interest of the issuer. The Dutch Corporate Governance Code further recommends that its requirements for independence of the supervisory board apply to the non-executive members of a one-tier board.

The Non-Executive Directors of the Company have determined that five (Ms. Curran, Mr. Erginbilgic, Ms. Kairisto, Ms. Knoll and Mr. Simonelli) out of the seven Non-Executive Directors in charge as of 31 December 2025 qualify as independent in accordance with the Dutch Corporate Governance Code. In addition, one Non-Executive Director (Mr. Nasi) can be considered to be affiliated with Exor, which owns over 10% of the Company's outstanding shares.

The aforementioned situation meets the independence requirements set forth in best practice provision 2.1.10 of the DCGC.

Evaluation

In 2025 the evaluation of the Board, its Committees and individual members (Executive Directors and Non-Executive Directors alike), consisted of a self-assessment, performed through a written questionnaire, addressing an array of items (under the captions Profile, Responsibilities and Functioning), with an invitation to comment on the various topics. The response rate was 100%. The replies were tabulated by the Corporate Secretary and represented the basis for subsequent one-to-one conversations with the Chairperson and collective discussion.

For a more comprehensive overview of the evaluation process (how it was carried out and what its conclusions have been), reference is made to the ad hoc paragraph included in the section "Board practice".

RESPONSIBILITY STATEMENT UNDER THE DUTCH CORPORATE GOVERNANCE CODE

Based on the assessment performed, the Board of Directors believes that, as of 31 December 2025, the Group's and the Company's Internal Control over Financial Reporting is considered effective and that

- (i) the Board Report provides sufficient insights into any material weaknesses in the effectiveness of the internal risk management and control systems (please refer to section "Risk Management and Internal Control System" of this Annual Report),
- (ii) the internal risk management and control systems are designed to provide reasonable assurance that the financial reporting does not contain any material inaccuracies (please refer to section "Iveco Group Internal Audit and Internal Control System" of this Annual Report),
- (iii) these systems provide limited assurance that the sustainability reporting in the section "Sustainability Statement" of this report does not contain material inaccuracies,
- (iv) in light of and as set out in this report, while the Company seeks to control operational and compliance risks in the manner and to the extent as described in this report, the Board is of the opinion that, in reference to our risk appetite and the complexity of our enterprise, our internal risk management and control systems provide sufficient comfort that the identified operational and compliance risks, faced by the Company, were effectively managed,
- (v) based on the current state of affairs, it is justified that the Group's and the Company's financial reporting is prepared on a going concern basis (refer to the Notes to the Consolidated Financial Statements of this Annual Report and the Notes to the Company Financial Statements of this Annual Report for additional information on the basis of preparation), and
- (vi) the Board Report states those material risks and uncertainties that are, in the Board of Director's judgment, relevant to the expectation of the Company's continuity for the period of twelve months after the preparation of the Board Report (please see to the chapter "Risk Factors" of this Annual Report).

The above, however, does not imply that Iveco Group can provide certainty as to the realisation of strategic business and financial objectives, nor can the Company's Internal Control over Financial Reporting be expected to prevent or detect all misstatements, errors, fraud or violation of laws or regulations.

4 March 2026

Suzanne Heywood

Chairperson

Olof Persson

Chief Executive Officer

RESPONSIBILITY STATEMENT UNDER THE DUTCH FINANCIAL MARKETS SUPERVISION ACT

The Board of Directors is responsible for preparing the Annual Report, inclusive of the Consolidated and Company Financial Statements and Board Report, in accordance with Dutch law and International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union (EU-IFRS).

In accordance with Section 5:25c, paragraph 2 of the Dutch Financial Markets Supervision Act, the Board of Directors states that, to the best of its knowledge, the Consolidated and Company Financial Statements prepared in accordance with EU-IFRS provide a true and fair view of the assets, liabilities, financial position and profit or loss for the year of the Company and its subsidiaries and that the Board Report provides a true and fair view of the performance of the business during the financial year and the position at balance sheet date of the Company and its subsidiaries, together with a description of the principal risks and uncertainties that the Company and the Group face.

4 March 2026

The Board of Directors

Suzanne Heywood

Olof Persson

Lorenzo Simonelli

Judy Curran

Tufan Erginbilgic

Clara Fain

Essimari Kairisto

Linda Knoll

Alessandro Nasi

REMUNERATION REPORT

LETTER FROM THE HUMAN CAPITAL AND COMPENSATION COMMITTEE CHAIR

Dear Stakeholders,

Introduction

On behalf of the Human Capital and Compensation Committee, I am pleased to present the 2025 Remuneration Report which provides a summary of the remuneration policy for the Executive Directors and the Non-Executive Directors, as well as an explanation of how these were applied in 2025.

Company Highlights

The year ending 31 December 2025 was marked by decisive steps toward delivering more sustainable mobility, increased operational efficiency and steady social impact.

2025 was significant for IVECO, the Group's core commercial vehicle brand founded in 1975. 50th-anniversary celebrations were held worldwide and there was a major showcase in Turin: "50xBeyond". Iveco Group's customers, dealers, partners and employees were fully immersed in IVECO's fifty years of commitment to excellence and innovation. The brand spotlighted its increasingly premium and distinctive force in the market, setting in motion "*Spirito in movimento*", its new pay-off that will drive IVECO into the future.

Shaping the year further were the announcements of two major deals on 30th July 2025. First, the signing of a definitive agreement to sell the Defence Business (IDV and ASTRA brands) to Leonardo, a leading European defence and security company, for an enterprise value of €1.7 billion. Second, Tata Motors Limited's voluntary tender offer to acquire Iveco Group, creating a stronger, more diversified entity with a significant global presence and sales of over 540,000 units per year. Then in October, global vendor finance company DLL and Iveco Group obtained regulatory approvals to enter into a joint venture with DLL acquiring a 51% stake in GATE, Iveco Group's rental business, while Iveco Group retains 49%.

Throughout 2025, Iveco Group worked closely with local non-governmental organisations in countries where it operates to deliver tangible, measurable and lasting impact. The Group's social responsibility efforts focused mainly on three areas: fostering health and wellbeing; reducing inequality and protecting diversity and vulnerable groups; and preserving biodiversity. Inclusion in sustainability indices and the ratings received from specialised sector-specific agencies reflect the Group's pledge to implement sustainability-led strategies and make a positive impact on transportation. Examples include ranking in the top 10% of the S&P Global Corporate Sustainability Assessment Score for our industry and receiving a score of 'A' in climate change and 'A-' in water security in the 2025 CDP Assessment.

Over the last three years we have been able to generate sustainable value creation (as shown in the graph below), although – from a financial perspective – our results in 2025 were affected by the highly cyclical market in which we operate, along with external and internal challenges. The downturns experienced in FY25 reflected these, whilst the Long-Term Incentive Plan outcome demonstrates the executives' strong long-term performance.

Iveco Group Share Price

(period 2023-2025)



Fixed Salary

The salaries for the Executive Directors remained unchanged during the year-under-review.

Short-Term Variable Pay Performance relevant to full year 2025

Short-Term Incentive Plan (STI) outcome: the metrics set for full year 2025 were "Adjusted EBIT" (50%) and "FCF of Industrial Activities" (50%). The overall STI earned in 2025 was 0.0% of target: out of a target 110% of base salary (maximum 220%), the CEO achieved 0.0%, due to the results below the threshold for a payout on "Adjusted EBIT" and "FCF of Industrial Activities".

Long-Term Variable Pay Performance relevant to 2023-2025 award

Long Term Incentive Plan ("LTI") outcome: the LTI award that vested was assessed upon "Adjusted EBIT Margin %" (40%), "Relative TSR" (40%) and "CO₂ reduction %" (20%). The overall LTIP earned in 2025 based on the performance period 2023-2025 was 176.7% of target (88% of maximum LTIP); out of a target 300% of base salary (maximum 600%) opportunity, the Executive Chair achieved 530.1%. Notably, the delivered results were between target and maximum and above maximum for the "Adjusted EBIT Margin %" and "CO₂ reduction %" metrics, respectively, and achieved position 2nd which equates to between target and maximum for the Relative TSR metric. This achievement resulted in the Executive Chair's LTI theoretical payout of 164,101 shares, which vested on 28 February 2026. When assessing the LTI outcomes, the Compensation Committee remains satisfied that the Executive Chair has performed well against the targets set and this is reflected in each of her performance outcomes.

This positive outcome emphasises how Iveco Group maintains alignment of long-term management and shareholder interests, being the long-term performance commensurate with long-term shareholder value creation. Whilst the short-term performance payout did not materialise, Iveco Group considers important to reflect on the fact that most FY25 director payout is driven by executive long-term performance, which is aligned to shareholder interests.

Executive Remuneration in light of acquisition by Tata Motors ("Tata Transaction")

As highlighted earlier, per the announcement on 30 July 2025, Iveco Group and Tata Motors Limited announced that they have reached an agreement to create a commercial vehicles group with the reach, product portfolio and industrial capability to be a global champion in this dynamic sector. This deal is expected to close in the first half of 2026. While further details on these deals will be presented in 2026 Circulars, the Committee was tasked to assess what impact this deal would have on the LTIP scheme which is currently in place for Iveco Group participants, which includes outstanding awards for the incumbent executive directors, and decide what direction to take. The following decisions were made.

It was discussed that, upon the successful completion of the Tata Transaction, the LTIP awards will be discontinued as it will no longer be feasible to operate such an incentive scheme once Iveco Group's listed shares dematerialise. Firstly, no new Iveco Group LTIP rights will continue to be awarded. Secondly, in view of the Tata Transaction, it will also no longer be possible to settle the relevant LTIP awards in shares. Therefore, as defined in the LTIP documentation, the Board of Directors has resolved that subject to certain conditions being satisfied, employee rights under the outstanding LTIPs will be settled in cash.

Regarding the executive directors, the treatment of the 2023 LTIP is as follows: the PSUs will be settled in cash in March 2026 and the vested amount will be based on actual performance observed for the entire period of 2023-2025, as originally intended. The cash-settlement payment will reflect the Company's share price as of 27 February 2026. The details of the actual performance observed for this LTIP are outlined above and further details are included in the main body of this report under 'Implementation of the Remuneration Policy in 2025'. Several considerations were proposed for the treatment of the current 2024-2026 and 2025-2027 LTIPs. It has been decided that, upon completion of the Tata Transaction, these PSUs will be replaced with a conditional right to receive a gross payment, at the vesting date of the original awards (being 28 February 2027 or 29 February 2028) that will be based on the performance conditions being deemed satisfied on an assumed target achievement rate of 100% or at-target level performance. The conditional right to receive a gross payment shall be equal to the share price of Iveco Group in the Tata Transaction, adjusted for the Defence Transaction.

When determining the level of vesting for the executives' outstanding awards at 100% at-target level, the Board of Directors considered several factors, including having a level satisfying Tata's continued interest in Iveco Group, reflecting on the executives' past performance delivered to the Company and most importantly assessing the executives' accrued performance under each award. It was noted that the executives were on track to delivering excellent performance beyond the target-level for each award so far, which is consistent with the excellent long-term performance observed in previously delivered LTIP awards. Therefore, the Board felt comfortable allocating the LTIPs at the assumed rate of the at-target level.

We would like to emphasise that these decisions on LTIP plans not only affects the Executive Directors, but also any wider workforce employees who participate in the Iveco Group LTIP plan with respect to their outstanding RSUs. This means that our decisions made on wider workforce LTIPs and Executive Director LTIPs have been done to ensure they are aligned, and both will be receiving fair and equal treatment. Iveco Group have made this decision to ensure that Executive Directors would not receive any preferential treatment on their outstanding awards in light of the transaction.

The Committee understands that shareholders expect executive remuneration to be aligned with the overall experience of the Company, its shareholders, employees and other stakeholders. Therefore, the Board of Directors believes that the remuneration structure operated by Iveco Group as well as the decisions and the outcomes produced, including those named above, reflect the best appropriate option and aligns with the provisions as laid out in the recently approved Remuneration Policy and Equity Plan. Overall, our considerations aim to provide strong alignment of interests between the executive directors, shareholders and other stakeholders.

Shareholder Engagement

We would like to touch upon the point that Iveco Group shareholders provide us with invaluable support and help us to foster strong partnerships that are essential to our growth. We have always strived to ensure a lasting and productive relationship. In light of this relationship with our shareholders, we are pleased to see that at the 2025 AGM the recently approved Remuneration Policy was supported by a large majority of 99.7 per cent of shareholders. Likewise, we are pleased to see that the 2024 Remuneration Report, reflective of Iveco Group's remuneration decisions and disclosure practices, was also supported by a large majority of 99.6 per cent of shareholders. In contrast, the Executive Directors Long Term Incentive Plan received 65.7 percent approval at the meeting. Please note that the Committee deals with the points of criticism expressed and takes them into account accordingly when making future remuneration decisions.

After investigating the causes of concern, we understood that some investors felt they would have preferred for our targets to be disclosed within the Equity Plan documents. Whilst we can understand that shareholders may feel this reduces transparency of the executive's remuneration, Iveco Group actually commits to ex-ante target disclosure every year in our remuneration report and this includes this year's report as seen in the following pages. Also, concerns were raised that the lack of a TSR vesting schedule in the Equity Plan document could provide for below-median performance. However, this is a practice which Iveco Group does not follow as demonstrated by the scorecards for our in-flight LTIPs and any previously vested LTIP awards. We hope that these clarifications demonstrate our commitment to meeting remuneration best practices. Additionally, we understood that some investors were concerned on certain contractual provisions for Executive Directors which could be perceived as adversely impacting shareholder interests. Reflecting on this, we would like to clarify that certain provisions, such as change-in-control, were kept in place to continue honouring legacy provisions from before our spin-off, of which impacts incumbent executives. Moreover, we understand that several companies across Continental Europe maintain these provisions, therefore we did not feel it was conducive to adjust these provisions as of yet. That said, the Board of Directors shall continue to understand shareholder concerns and will keep these considerations as part of any potential, future discussions.

Going Forwards

With respect to the Tata Transaction and the resulting change of control, in accordance with our Remuneration Policy and Equity Plan, any outstanding PSU will become unconditional if the Executive Director is terminated for reasons other than Cause prior to the original vesting date. In such circumstances, the payment right becomes immediately unconditional and will be settled within 30 days from the termination date.

On behalf of my fellow members on the Committee, Tufan Erginbilgic and Alessandro Nasi, I would like to express our appreciation for both Mr. Persson's and Lady Heywood's leadership and the accomplishments delivered by the entire Iveco Group team in 2025 and for navigating the Company in light of the Tata and Leonardo transactions.

With this, I present to you the following two sections of the 2025 Remuneration Report:

- i) **Recently approved Remuneration Policy**: reflects a summary of the remuneration policy provisions that guide the Committee's decisions on Executive Director and Non-Executive Director pay matters.
- ii) **Implementation of the Remuneration Policy in 2025**: includes the disclosure of the decisions and rationale supporting the Executive Director's compensation earned in 2025.

Sincerely,

Linda Knoll

Chair of the Human Capital and Compensation Committee

CURRENT REMUNERATION POLICY

Purpose and Values

The businesses are driven by Iveco Group's purpose that reflects the reason why the Company exists and illustrates how the products and services positively impact customers, stakeholders and the communities where it operates: "Home of unique people and brands that power your business and mission to advance a more sustainable society".

The Group's corporate values express the way the more than 35,000 employees around the world work: 1) We go beyond the obvious 2) We contribute diverse strengths 3) We take ownership 4) We do what is right 5) We collaborate to win. These values help us to fulfill our purpose and are integral components of the Performance Development Process (PDP), guiding behavioral expectations while forming the basis for how our employees are evaluated (in addition to the achievement of individual and team performance objectives) and in turn are rewarded.

The Group's purpose and values call for taking courageous steps to innovate product and service offerings, advance promising emerging technologies and business models and collaborate with like-minded partners to better meet the current and future needs of customers.

A key element of our compensation philosophy is to drive organisation-wide alignment of shared Company goals and values, by rewarding the achievement of those goals in a manner consistent with our purpose and values. This principle is reinforced through the Company's Remuneration Policy, performance management and pay programmes.

Compensation Peer Group

A key principle of the compensation philosophy is to provide a competitive compensation structure that will attract, motivate, and retain highly qualified senior executives.

The Company periodically benchmarks its executive compensation programme and the compensation offered to Executive Directors against peer companies, and it monitors compensation levels and trends in the market. The Committee strives to develop a compensation peer group that best reflects all aspects of Iveco Group's business and considers, among other things, public listing, related industries, geographic reach, and revenue proximity. Given the structure of Iveco Group's Executive Director roles, two separate peer groups were identified for the most relevant talent market and best compensation comparison of each role.

CEO Peer Group

The selected peers remain predominately based in Europe with the exception of direct competitors who are U.S. based, as shown in the table below:

CEO Peer Group	
Company	Country
Cummins	USA
Daimler Truck Holding	Germany
Forvia	France
Knorr-Bremse	Germany
OPmobility	France
Oshkosh	USA
Paccar	USA
Rheinmetall	Germany
Schaeffler	Germany
Traton	Germany
Valeo	France
Volvo	Sweden

Executive Chair Peer Group

For the Executive Chair role, no changes to the relevant peer group were made in 2025:

Chair Peer Group		
Company	Country	Role
Acciona	Spain	Executive Chair
ACS - Actividades de Construccion y Servicios	Spain	Executive Chair
Ariston Group	Italy/Netherlands	Executive Chair
Brembo	Italy/Netherlands	Executive Chair
CIR	Italy	Executive Chair
Datalogic	Italy	Executive Chair
De'Longhi	Italy	Executive Chair
Avolta*	Switzerland	Executive Chair
ERG	Italy	Executive Chair
Forvia	France	Non-Executive Chair
Fincantieri	Italy	Executive Chair
Knorr-Bremse	Germany	Non-Executive Chair
Maire Tecnimont	Italy	Executive Chair
Oshkosh	USA	Non-Executive Chair
OPmobility	France	Non-Executive Chair
Schaeffler	Germany	Non-Executive Chair
Traton	Germany	Non-Executive Chair
Valeo	France	Non-Executive Chair

* Avolta is the current name of the Company that was formerly known as Dufry

Overview of Remuneration Elements

The following table summarises the primary remuneration elements for the Executive Directors, as specified in the Remuneration Policy. A full copy of the current Remuneration Policy is available on the Company's website, https://www.ivecogroup.com/-/media/group/governance/remuneration_policy/docs/IVG_2025_Remuneration_Policy.pdf?rev=6474f36d2c1b4d90ad008df3d6330373.

Remuneration Element	Terms & Conditions
Base Salary	Base salary takes into consideration the Executive Director's skills, experience, scope of responsibilities, and the competitive market
Short Term Variable	Subject to the achievement of annually pre-established, challenging financial and other designated performance objectives. CEO: annual bonus, with a target equal to 110% of base salary, linked to the following objectives - Adjusted EBIT € million and Free Cash Flow of Industrial Activities € million. Maximum payout is capped at 200% of target. Chair: does not participate in the short-term incentive plan, given long-term strategy- focus of the role.
Long Term Variable	CEO: annual target PSU award valued at 1x annual base salary. Chair: annual target PSU award valued at 3x annual base salary. Both: maximum payout is capped at 200% of target. To align Executive Directors' interests with Company strategic goals and reward for sustained long-term value creation. The Company performance component is subject to the achievement of predetermined challenging goals and market objectives, covering a 3-year performance period. Equity holding period of five years from grant aligns with Dutch Corporate Governance Code (DCGC).
Post-Employment Benefits	Benefits for CEO and Chair are described in the remuneration policy and are provided in line with market practice. Severance protection is limited to 12 months' base salary, consistent with DCGC and best practice.
Other Benefits	Benefits for CEO and Chair are described in the remuneration policy and are provided in line with market practice.
Share Ownership Guidelines	Iveco Group's share ownership guidelines require Executive Directors to own Iveco Group N.V. common shares with a value of 5-times base salary within five years of appointment to the Board.

IMPLEMENTATION OF THE REMUNERATION POLICY: 2025 REALISED PAY

The following is intended to expand on the general implementation of the Remuneration Policy in 2025 and provide additional context for understanding the actual compensation paid in 2025.

FIXED PAY

Base Salary

The base salary for the Executive Directors takes into consideration the executive's skills, scope of job responsibilities, experience, competitive market, and compensation peer group pay comparisons. For 2025, the executive directors' fully annualised base salaries remained at the unchanged level at €750,000 for the CEO and €375,000 for the Executive Chair.

Post-Employment Benefits

No post-employment benefits are available to the Executive Directors.

Pension and Retirement Savings

The CEO only participates in the statutory pension scheme in Italy.

Other Benefits

For the CEO, the Group offers customary perquisites and fringe benefits, such as a company car, medical insurance, accident insurance, tax preparation assistance, relocation, and limited personal usage of aircraft. For what concerns the personal usage of aircraft, the CEO has used it one time during 2025, with a cost of €10,734.30. Due to its one-off use, the Board of Directors do not consider this one-time benefit cost across the year to be considered excessive.

Furthermore, in the event of an involuntary termination of employment other than for Cause, the CEO is entitled to twelve months' base salary, while remaining subject to restrictive covenants, such as non-competition and non-solicitation for a period of two years.

The Executive Chair does not have severance protection nor participates in Iveco Group benefit programmes. The Chair does have limited personal usage of corporate-provided aircraft but did not use this benefit in 2025.

For any personal use of corporate aircraft, the Executive Directors are responsible for taxes on the benefit.

Tax Equalisation

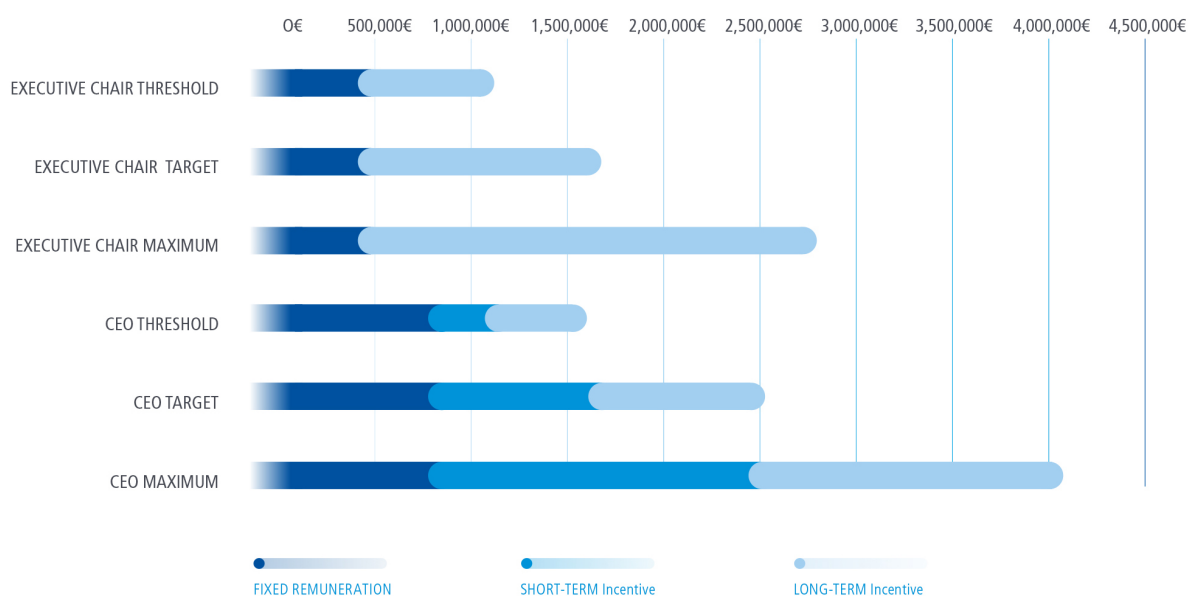
The CEO, as a function of the global nature of the role in the Company, may be subject to tax on employment income in multiple countries and will be subject to the Company's tax equalisation policy on all employment earnings. For the Chair, no tax equalisation is applicable.

VARIABLE PAY

Scenario Analyses

Scenario analyses are carried out annually to examine the relationship between the performance criteria chosen and the possible outcomes of variable remuneration of the Executive Directors to ensure incentives encourage the right behaviours and promote goal alignment. Such analyses review the link of pay for performance for the full range of outcomes and upon determining the final payout. For the 2025 financial year, the Company found a strong link between remuneration and performance and concluded that the chosen performance criteria supported the Company's strategic objectives. The resulting awards under both the short-term and long-term incentive components were appropriate.

The following chart describes compensation levels that the Executive Chair and the CEO could receive under the approved Remuneration Policy and different scenarios in a calendar year, assuming a constant share price (i.e., no appreciation).



In the event of performance below the set threshold, both in the short- and long-term, the Chair and CEO will be recognised with fixed remuneration only.

Short-Term Incentives

The CEO is eligible for participation in the cash annual incentive plan with weighting of overall compensation that appropriately balances managerial focus between short-term and long-term goals. The Chair does not participate in the short-term variable incentives given the more long-term focus of the Chair role. The CEO's selected metrics are the same as the prior year and they are aligned with the Company's overarching strategy.

For performance below the threshold level no pay-out will occur.

- Achieving threshold performance earns 40% of target incentive equal to 44% of base salary.
- The target incentive for the CEO's annual bonus programme is 110% of base salary, linked to approved targets each year.
- Maximum payout is 200% of target incentive, equal to 220% of base salary.
- No individual performance adjustment factor applies to the CEO's annual bonus.

In cases where the Company performance falls between the Threshold, Target, and Maximum levels, linear interpolation will be used to calculate the award.

CEO'S 2025 COMPANY BONUS PLAN PERFORMANCE FACTOR CALCULATIONS:

Corporate Measures ⁽¹⁾	Weight		Performance					Payout Factor % of Target Bonus	
			Threshold	Target	Upper Limit	Results	% of Target Achieved	Unweighted	Weighted
Adjusted EBIT € million	a)	50%	909.0	1,010.0	1,515.0	804.0	79.6%	—%	—%
2025 Bonus €	b)		165,000	412,500	825,000				
FCF of Industrial Activities € million	a)	50%	340.0	425.0	637.5	60.0	14.1%	—%	—%
2025 Bonus €	b)		165,000	412,500	825,000				
TOTAL %	a)	100%							
2025 Full Year Bonus €	b)		330,000	825,000	1,650,000	—			—%

Notes:

(1) Adjusted EBIT and FCF of Industrial Activities include both Continuing and Discontinued Operations and are non-EU-IFRS metrics derived from financial information prepared in accordance with EU-IFRS. Refer to the "Annex" at the end of the Remuneration Report for the definition of these non-EU-IFRS financial measures.

For the full year 2025, the Company decided to allocate the same key financial performance indicators to the CEO's short-term incentive as these continue to align with our wider corporate strategy – for 2025, two performance indicators, down from three, were chosen and were equally weighted as we wanted to increase our focus on FCF performance during the year. Adjusted EBIT continues to allow us to measure Company revenue through our continued market expansion and strengthening profit margins across all business segments and FCF of Industrial Activities continues to allow us to assess how much Iveco Group meets debt obligations and to strengthen Iveco Group's liquidity to fund growth opportunity. The FCF targets were slightly reduced compared to those in 2024 as these were in line with the Company's Strategic Business Plan and it was reflective of the slowdown of the industry.

Per the Company Bonus Plan (CBP) design and the predetermined goals, the overall Company performance payout factor earned in 2025 was 0.0% of target bonus for a payout of €0.0 for the CEO. The overall performance achievement paid was 0.0% of the maximum bonus opportunity under the CBP. The results did not achieve the required threshold and therefore the CEO did not receive any payout under this element. The Committee did not exercise any discretion related to measuring performance outcomes under the variable awards and did not adjust the payout levels considering the outcomes are a fair reflection of the overall business performance in the challenging macroeconomic environment.

Long-Term Incentives

1) 2025 -2027 LTIP Granted Awards

On 9 May 2025, the Company granted to the Executive Chair and to the CEO the LTIP for the 2025-2027 performance, following the same framework as previously granted LTIP awards, aligning the targets to the Strategic Business Plan. The Executive Directors were only granted PSUs, so the award was entirely on achieving Company performance objectives.

The following was granted to the Executive Directors under the LTIP in 2025:

	Number of Share Units Granted	
	CEO	Chair
2025-2027 LTIP PSUs	55,610	83,410
Average Annual Target		
* % of Salary	100 %	300 %
* (€13.49/unit FV@ Grant)*	€750,000	€1,125,000
Maximum Award (2X target)		
* % of Salary	200 %	600 %
* (€13.49/unit FV@ Grant)*	€1,500,000	€2,250,000

* The Fair Value (FV) indicated in the above table reflects a 30-day average share price in April 2025 which was used to determine the number of shares set at target performance. Relative TSR, which is weighted 40% overall for the PSUs (see the table below on Company Performance Metrics). The Relative TSR is considered as not achieved in case of positioning below the 4th position in rank of the Peer Group.

The PSU awards vest subject to achievement of Company performance goals for the performance period.

2025-2027 granted LTIP Performance Scorecard

The LTIP will be measured against pre-defined performance goals, reinforcing sustainable long-term value creation, and linked to our Strategic Business Plan (SBP). The chosen metrics and the payout ranges remain similar as ones in prior years, 2023-2025 and 2024-2026 awards. Awards forfeit in full upon any type of termination, except in the case of a termination by the Company (other than for Cause) within 24 months of a change of control as defined in the EIP.

For the three-year period, 2025-2027, the three independent metrics, weighting, target goals and pay-out schedules are set as shown in the table below:

KPIs	Weight	Measurement	Performance / Payout	Threshold	Target	Outstanding
Adjusted EBIT Margin %	40%	3-year average	Performance	6.7%	7.1%	9.2%
			Payout	50.0%	100.0%	200.0%
Relative TSR ^{(1) (2)}	40%	3-year cumulative	Performance	below 4 th place	4 th place ranking	1 st place ranking
			Payout	—%	100.0%	200.0%
CO₂ reduction %	20%	3-year cumulative	Performance	29.7%	33.0%	36.3%
			Payout	50.0%	100.0%	200.0%

Note: Adjusted EBIT Margin includes both Continuing and Discontinued Operations. Refer to the "Annex" at the end of the Remuneration Report for the definition of these non-EU-IFRS financial measures mentioned in this report.

(1) The Relative TSR peer group remains the same as the 2024-2026 PSU awards and includes Iveco Group N.V. and the following companies: AB Volvo, Cummins Inc., Daimler Truck Holding AG, Deutz AG, Paccar, Inc., Rheinmetall AG, Traton SE. The Relative TSR peer group may be adjusted by the Compensation Committee in its sole discretion during the Performance Period as a result of mergers and acquisitions, de-listings, takeover offers, etc. In this event, an appropriate benchmark peer would be identified and proposed for inclusion in the peer group.

(2) The Relative TSR payout per ranking. In case Iveco Group TSR will be negative at the end of the performance period, overachievement of the other KPIs, if any, will not be applied.

Stretch objectives have been set for each of the metrics reflecting the Company's long-term priorities to deliver strong, profitable growth, increase shareholder value and contribute to a more sustainable environment. The payout ranges from 50% of target award to a cap of 200% of target award with the exception of Relative TSR where no payout is foreseen in case of relative positioning below the 4th place ranking in the Peer Group. The Adjusted EBIT Margin % and CO₂ reduction % metrics payout is 50% of target award at threshold, 100% at target achievement and capped at 200% of target award for outstanding performance, and in cases where the Company performance falls between the Threshold, Target, and Outstanding levels, linear interpolation will be used to calculate the award. For performance below the threshold level, no pay-out will occur.

Whilst the Committee considered other non-financial measures, ultimately, they felt using CO₂ reduction % is a best fit performance indicator since it best aligns with the Company's ESG strategy; this is to reduce CO₂ emissions from manufacturing processes along the entire value chain (supply and logistics) and from the product range, aiming for net zero carbon emissions by 2040.

The Relative TSR metric only pays out at or above target (4th place ranking) and is also capped at 200% of target award for 1st place ranking among the comparator companies, as shown in the following table:

RANK	PERCENTILE	PAYOUT
1	100.0%	200.0%
2	85.7%	167.0%
3	71.4%	133.0%
4	57.1%	100.0%
5	42.9%	—%
6	28.6%	—%
7	14.3%	—%
8	—%	—%

2) 2023-2025 LTIP Vested Awards

The 2023-2025 LTIP awards vested at the end of the three-year performance period on 28 February 2026.

KPIs	Weight	Performance / Payout	Threshold	Target	Outstanding	Measurement	Results
Adjusted EBIT Margin %	40%	Performance	4.3%	4.8%	6.3%	5.8%	120.8%
		Payout	50.0%	100.0%	200.0%		166.7%
Relative TSR	40%	Performance	—	5th in rank	1 st in rank	2 nd in rank	2 nd in rank
		Payout	—	100.0%	200.0%		175.0%
CO ₂ reduction %	20%	Performance	20.0%	22.0%	24.5%	29.6%	134.5%
		Payout	50.0%	100.0%	200.0%		200.0%

Note: Adjusted EBIT Margin includes both Continuing and Discontinued Operations.

Per the Strategic Business Plan and the predetermined goals, the overall LTIP earned in 2025 was 176.7% of target LTIP (88% of maximum LTIP) for a payout for the Executive Chair equal to 164,101 shares which vested on 28 February 2026. In light of the Tata Transaction, the cash settlement of this LTI payment is discussed in further detail within the Introduction Letter.

After close review, the Board feels the targets set and the Company outcome were challenging, pay-for-performance has been observed and the payment is warranted. The Compensation Committee did not feel it was necessary to make any adjustments to the LTIP considering that the long-term performance outcomes are commensurate with long-term shareholder value creation with payouts reflecting the pay-for-performance principle.

Other Remuneration Provisions

Stock Ownership

Our Board recognises the critical role that Executive Director stock ownership has in aligning the interests of management with those of shareholders. Accordingly, the Executive Directors are subject to share ownership guidelines which require each Executive Director to own Iveco Group N.V. shares with an aggregate value of at least 5x base salary within five (5) years from the start of their respective assignments. The Committee assesses on an annual basis the Executive Directors' progress toward meeting this objective. As of 31 December 2025, the CEO owned 30,500 shares and the Chair owned 186,590 shares. With a closing share price of €18.77 on 31 December 2025, the fair market value at year-end 2025 was €572,485 and €3,502,294, respectively. The CEO's shareholdings represent 0.76 times his annual base salary, and the Executive Chair's represents 9.3 times her annual base salary.

In addition, the Executive Directors are subject to a holding period of five years from grant date for all awards granted to them which aligns with Dutch Corporate Governance Code (DCGC).

Recoupment of Incentive Compensation (Clawback)

The Board is dedicated to maintaining and enhancing a culture focused on integrity and accountability. The Recoupment Policy in the Company's Equity Incentive Plan, which defines the terms and conditions for any subsequent long-term incentive programme, and the Company Bonus Plan, which defines the short-term incentive programme, as well as in any executive employment agreements, authorises the Company to recover, or "claw back" incentive compensation with the ability to retroactively make adjustments if any cash or equity incentive award is predicated upon achieving financial results and the financial results are subject to an accounting restatement.

No recoupment of incentive compensation was warranted under any incentive plan during 2025.

Terms of engagement

Each of the Executive Directors is engaged by the Company pursuant to a written agreement for an indefinite period of time and are employed at will, meaning either party can terminate the engagement at any time.

Loans and guarantees

In line with the Remuneration Policy, no loans, advances or guarantees have been provided to any of the Executive Directors or Non-Executive Directors.

REMUNERATION FOR NON-EXECUTIVE DIRECTORS

The remuneration of Non-Executive Directors is governed by the Iveco Group N.V. Remuneration Policy. The current remuneration structure for the Non- Executive Directors is consistent with the Remuneration Policy, as shown in the table below.

Non-Executive Director Compensation		Annual Fees
Annual Cash Retainer	EUR	110,000
Additional retainer for Audit Committee member	EUR	22,000
Additional retainer for Audit Committee Chair	EUR	30,000
Additional retainer for member of other Board committees	EUR	18,000
Additional retainer for Chair of other Board committees	EUR	22,000
Leading Independent Director	EUR	25,000

The Non-Executive Directors receive their annual retainer fee, committee membership, and committee chair fee payments (collectively, "Fees") only in cash. Remuneration of Non-Executive Directors is fixed and not dependent on the Company's financial results. Non-Executive Directors are not eligible for variable compensation and do not participate in any Company incentive plans. Consistent with the Remuneration Policy, Non-Executive Directors do not receive benefits upon termination of their service as Directors.

According to the Remuneration Policy Non-Executive Directors are expected to own Company shares in an aggregate amount of not less than 1x their annual retainer fee, which is €110,000, within 24 months of appointment to the Board. The Non-Executive Directors are expected to hold Company shares as a long-term investment and, as such, are expected to hold their Company shares while on the Board and for an additional three months after their Board service terminates.

IMPLEMENTATION OF REMUNERATION POLICY IN 2025 FOR BOARD OF DIRECTORS

Board of Directors	Position	Year	Fixed Remuneration		Variable Remuneration			Extraordinary Items	Pension & Similar Benefits	Total	Proportion of fixed to variable remuneration (4)
			Base Salary or Fees	Fringe Benefits (1)	One-year Variable (2)	Multi-year Variable (3)					
HEYWOOD, Suzanne	Chair	01/01/2025	375,000	—	—	1,953,556	—	351,520	2,680,076	37 %	
		31/12/2025									
		01/01/2024	375,000	—	—	956,708	—	60,772	1,392,480	46 %	
		31/12/2024									
		01/01/2023	250,000	—	—	476,911	—	32,398	759,309	59 %	
		31/12/2023									
PERSSON, Olof	CEO	01/01/2025	750,000	86,091	—	484,876	—	28,166	1,349,133	178 %	
		31/12/2025									
		01/07/2024	375,000	7,813	365,000	145,567	—	27,942	921,322	80 %	
	31/12/2024										
	Director	01/01/2024	66,000	—	—	—	—	10,642	76,642	n/a	
		30/06/2024									
01/01/2023		132,000	—	—	—	—	17,880	149,880	n/a		
31/12/2023											
	01/01/2022	132,000	—	—	—	—	22,776	154,776	n/a		
31/12/2022											
ERGINBILGIC, Tufan	Director	01/01/2025	146,000	—	—	—	—	21,676	167,676	n/a	
		31/12/2025									
		01/01/2024	146,000	—	—	—	—	23,042	169,042	n/a	
		31/12/2024									
		01/01/2023	146,000	—	—	—	—	19,781	165,781	n/a	
		31/12/2023									
01/01/2022											
	31/12/2022	146,000	—	—	—	—	25,136	171,136	n/a		
KAIRISTO, Essimari	Director	01/01/2025	140,000	—	—	—	—	—	140,000	n/a	
		31/12/2025									
		01/01/2024	140,000	—	—	—	—	—	140,000	n/a	
		31/12/2024									
		01/01/2023	140,000	—	—	—	—	—	140,000	n/a	
		31/12/2023									
01/01/2022											
	31/12/2022	140,000	—	—	—	—	—	140,000	n/a		
KNOLL, Linda	Director	01/01/2025	150,000	—	—	—	—	—	150,000	n/a	
		31/12/2025									
		01/01/2024	150,000	—	—	—	—	—	150,000	n/a	
		31/12/2024									
		01/01/2023	150,000	—	—	—	—	—	150,000	n/a	
		31/12/2023									
01/01/2022											
	31/12/2022	150,000	—	—	—	—	—	150,000	n/a		

Board of Directors	Position	Year	Fixed Remuneration		Variable Remuneration			Extraordinary Items	Pension & Similar Benefits	Total	Proportion of fixed to variable remuneration (4)
			Base Salary or Fees	Fringe Benefits	(1) One-year Variable	(2) Multi-year Variable	(3)				
NASI, Alessandro	Director	01/01/2025	150,000	—	—	—	—	8,758	158,758	n/a	
		31/12/2025									
		01/01/2024	150,000	—	—	—	—	8,758	158,758	n/a	
		31/12/2024									
		01/01/2023	150,000	—	—	—	—	238	150,238	n/a	
		31/12/2023									
		01/01/2022	150,000	—	—	—	—	150,000	n/a		
		31/12/2022									
CURRAN, Judy	Director	01/01/2025	141,900	—	—	—	—	—	141,900	n/a	
		31/12/2025									
		17/04/2024	93,077	—	—	—	—	—	93,077	n/a	
		31/12/2024									
FAIN, Clara	Director	17/04/2025	93,500	—	—	—	—	—	93,500	n/a	
		31/12/2025									
SIMONELLI, Lorenzo	Senior Non-Executive Director	01/01/2025	149,700	—	—	—	—	—	149,700	n/a	
		31/12/2025									
		01/01/2024	132,000	—	—	—	—	—	132,000	n/a	
		31/12/2024									
		01/01/2023	132,000	—	—	—	—	—	132,000	n/a	
		31/12/2023									
		01/01/2022	132,000	—	—	—	—	132,000	n/a		
		31/12/2022									

Notes

- (1) The amount includes the use of transportation (company car, personal usage of Company aircraft) and company cost of life and health insurance benefits.
- (2) The amounts represent the bonus approved for the respective performance years 2025, 2024, 2023 and 2022, paid in 2026, 2025, 2024 and 2023 respectively.
- (3) The amounts represent the Company's share-based compensation (SBC) expense under applicable accounting standards relating to grants issued to the Executive Directors.
- (4) Ratio of the percentage of fixed pay elements over the percentage of variable pay elements. Variable elements include variable incentives, extraordinary items. The Non-Executive Directors have no variable compensation elements, so this ratio is not applicable.

The following table summarises remuneration paid or awarded (in Euro) to Directors of Iveco Group N.V. for roles held in subsidiaries of Iveco Group N.V. for the years ended 31 December 2025, 2024, 2023 and 2022:

Board of Directors	Position	Year	Fixed Remuneration		Variable Remuneration		Extraordinary Items	Pension & Similar Benefits	Total Remuneration	Proportion of fixed to variable remuneration
			Fees	Fringe Benefits	One-year Variable	Multi-year Variable				
NASI,	Chairman Iveco Defence Vehicles S.p.A.	2025	200,000	2,295	—	—	—	11,811	214,106	n/a
Alessandro		2024	187,500	2,295	—	—	—	1,477	191,272	n/a
		2023	150,000	—	—	—	—	8,760	158,760	n/a
		2022	150,000	—	—	—	—	3,321	153,321	n/a

YEAR-OVER-YEAR REMUNERATION

2025 is the fourth year of operations for Iveco Group, and the following table shows the year-over-year change in remuneration (in Euro) of all Board of Directors:

Board of Directors	Position	2025	2024	2023	2022
HEYWOOD, Suzanne ⁽¹⁾	Chair	2,680,076	1,392,480	759,309	412,464
PERSSON, Olof ⁽²⁾	CEO	1,349,132	997,965	149,880	154,776
ERGINBILGIC, Tufan	Director	167,676	169,042	165,781	171,136
KAIRISTO, Essimari	Director	140,000	140,000	140,000	140,000
KNOLL, Linda	Director	150,000	150,000	150,000	150,000
NASI, Alessandro	Director	158,758	158,758	150,238	150,000
CURRAN Judy	Director	141,900	93,077	—	—
FAIN Clara ⁽³⁾	Director	93,500	—	—	—
SIMONELLI, Lorenzo ⁽⁴⁾	Director and Senior Non- Executive Director	149,700	132,000	132,000	132,000

(1) The year-over-year change is due to additional SBC expense with the addition of the 2023-2025, 2024-2026, 2025-2027 LTI cycle awards.

(2) Mr. Persson took up the Group CEO role from 1 July 2024 and was Non-Executive Director from 1 January 2022 until 30 June 2024.

(3) Beginning on 16 April 2025, Ms. Fain joined the Group.

(4) Beginning on 16 April 2025, Mr. Simonelli has received the fee for his role as Senior Non-Executive Director.

For perspective, the year-over-year performance of the Company's key metrics for 2025 and 2024 are shown below:

Selected Performance Data ⁽¹⁾	2025	2024	Year-over-Year % Change 2024 and 2025
Adjusted EBIT (€ million)	804	982	-18.1%
Free Cash Flow of Industrial Activities (€ million)	60	402	-85.1%

Notes:

(1) Includes non-EU-IFRS metrics derived from financial information prepared in accordance with EU-IFRS. Refer to the "Annex" at the end of the Remuneration Report for the definition of these non-EU-IFRS financial measures. 2025 results refer to both Continuing and Discontinued Operations; 2024 results refer to Continuing Operations only.

SHARE OWNERSHIP

Collectively, the Executive Directors and Non-Executive Directors own less than one percent of Iveco Group N.V. outstanding Common Shares. The Company has established share ownership guidelines for both the Executive Directors and Non-Executive Directors. The following table summarises the number of Iveco Group N.V. Common Shares owned by Directors as of 31 December 2025.

Directors	Common Shares	Memo: Share ownership ratio ⁽¹⁾	Special Voting Shares
Olof Persson	30,500	76%	–
Suzanne Heywood	186,590	934%	–
Tufan Erginbilgic	13,600	232%	–
Alessandro Nasi	69,798	1,191%	–
Essimari Kairisto	12,523	214%	–
Linda Knoll	29,522	504%	–
Judy Curran	–	–%	–
Clara Fain	–	–%	–
Lorenzo Simonelli	35,410	604%	–

Note:

(1) The Executive Directors, Mr. Persson and Ms. Heywood, are required to own five times their fixed base salary 5 years from their initial appointment to the Board. The Non-Executive Directors are required to own one times their retainer fee within 2 years of their initial appointment to the Board. The closing price as of 31 December 2025, of €18.77 was used for the valuation.

SHARE AWARDS

The following table summarises share units held by Executive Directors as of 31 December 2025 with reference to the 2025-2027, 2024-2026, 2023-2025 and 2022-2024 LTI plans:

Table - Shares awarded or due to the Directors for the reported financial year

The main conditions of share option plans						Information regarding the reported financial year							
						Opening Balance	During the year			Closing Balance		Accounting Expense (1)	
Name of Director, position	Award Name	Performance Period	Award Date	Vesting Date	End of Holding Period	Shares Awarded at the Beginning of the Period	Shares Awarded FMV at Grant (€000)	Shares Forfeited	Shares Vested FMV at Grant (€000)	Shares Subject to a Performance Condition	Shares Unvested	Shares Subject to a Holding Period (1)	€000s
PERSSON Olof, CEO	2025-2027 PSU(2)	01/01/2025	09/05/2025	29/02/2028	09/05/2030	—	55,610	—	—	55,610	55,610	55,610	
		31/12/2027					850	—	—		196		
	2024-2026 PSU(2)	01/01/2024	02/07/2024	28/02/2027	02/07/2029	68,680	—	—	—	68,680	68,680	68,680	
		31/12/2026					—	—		289			
HEYWOOD Suzanne, Chair	2025-2027 PSU(2)	01/01/2025	09/05/2025	29/02/2028	09/05/2030	—	83,410	—	—	83,410	83,410	83,410	
		31/12/2027					1,275	—	—		294		
	2024-2026 PSU(2)	01/01/2024	27/05/2024	28/02/2027	27/05/2029	97,120	0	—	—	97,120	97,120	97,120	
		31/12/2026					0	—	—		394		
	2023-2025 PSU(2)	01/01/2023	15/05/2023	28/02/2026	15/05/2028	92,870	—	—	—	92,870	92,870	92,870	
		31/12/2025					—	—		1,164			
2022-2024 PSU(2)	01/01/2022	05/05/2022	28/02/2025	05/05/2027	129,710	—	—	143,719	—	—	143,719		
	31/12/2024					—	507		101				
Total Shares:							139,020	—	143,719	397,690	397,690	541,409	—
Total FMV (€000s)							2,125	—	507	—	—	—	2,438

Notes:

(1) Share-based compensation (SBC) expense recorded in 2025 under applicable accounting standards relating to grants awarded to the Executive Directors under the 2023-2025 LTI, 2024-2026 LTI and 2025-2027 LTI Plans.

(2) Four consecutive annual 3-year LTIP performance cycle awards as solely Iveco Group were granted. The Executive Directors have only PSU awards, so all is subject to performance conditions.

OTHER INFORMATION

Compensation Consultant

The Committee was occasionally advised by representatives of Mercer, Freshfields Bruckhaus Deringer LLP, Legance, and Georgeson on executive compensation matters. The Committee found that the information provided by such advisors provided important perspectives about market practices for executive compensation, the levels and structure of the compensation programme, and compensation governance.

INTERNAL PAY RATIOS

When setting the Executive Directors' compensation, the Committee considers both the appropriate external benchmark as well as the internal pay ratios within the Company. Although the primary consideration is market competitiveness to attract and retain highly qualified senior executives in a large, global, complex organisation, a baseline internal comparison is set for tracking future year pay trends between executives' compensation and employees' compensation.

In line with the DCGC and the Dutch Civil Code, the pay ratio and trend are disclosed in the annual Remuneration Report. The basis of the pay ratio comparison uses the prevalent Dutch methodology of determining the ratio between the total annual remuneration of the CEO, including all remuneration components, and the average employee compensation (including all labour costs, using the accounting value of equity awards).

The average employee compensation corresponds to the total personnel costs reported in the Annual Report, which excludes Executive Director compensation, divided by the average year Full-Time Equivalent (FTE), less the CEO who is included in the total average year FTE.

The first four years of Iveco Group's history is shown in the table, which will set the trend for future years' reports.

Internal Pay Ratio	2025	2024	2023	2022
CEO Compensation €	1,349,132	1,914,834 ⁽²⁾	6,406,242	5,784,778
Average Employee Compensation €	58,030	60,711	60,507	56,252
CEO Pay Ratio ⁽¹⁾	23.2	31.5	105.9	102.8

Notes:

(1) Included in the CEO's compensation is the amortization of the share-based compensation expense.

(2) The compensation is, as reported, including the total former CEO and the Current CEO.

EXECUTIVE OFFICER'S COMPENSATION

The following table summarises remuneration paid or awarded (in Euro) to Executive Officers for the years ended 31 December 2025, 2024, 2023 and 2022:

	Year	Number of Executive Officers ⁽¹⁾	Fixed Remuneration		Variable Remuneration		Extra-ordinary Items ⁽⁵⁾	Pension & Similar Benefits ⁽⁶⁾	Total Remuneration
			Base Salary	Fringe Benefits ⁽²⁾	One-year Variable ⁽³⁾	Multi-year Variable ⁽⁴⁾			
Executive Officers	2025	13	4,530,930	248,009	248,900	5,015,670	522,144	2,563,331	13,128,984
	2024	15	4,582,350	328,513	2,215,567	2,691,631	1,737,386	2,362,243	13,917,690
	2023	12	4,066,351	352,661	3,268,295	2,749,282	1,291,205	2,365,004	14,092,798
	2022	13	3,817,984	283,253	3,297,700	2,136,374	3,524,620	1,797,223	14,857,154

Notes:

(1) The number of Executive Officers at the end of 2025, 2024, 2023 and 2022, respectively.

(2) The amounts include the use of transportation (company car) and Company cost of life and health insurance benefits.

(3) The amounts represent the bonus approved for the respective performance years 2025, 2024, 2023 and 2022, paid in 2026, 2025, 2024 and 2023, respectively.

(4) The amounts represent the Company's share-based compensation (SBC) expense under applicable accounting standards.

(5) The extraordinary amounts include hiring one-off payments, unused vacation paid, tax equalization settlements, termination payments.

(6) The amounts include Company contributions to company and national social security (retirement) programmes.

ANNEX

Adjusted EBIT is defined as EBIT before restructuring costs and non-recurring items. In particular, non-recurring items are specifically disclosed items that management considers rare or discrete events that are infrequent in nature and not reflective of on-going operational activities.

Adjusted EBIT Margin % is Adjusted EBIT divided by Net Revenue.

Free Cash Flow of Industrial Activities (or Industrial Free Cash Flow): refers to Industrial Activities, only, and is computed as consolidated cash flow from operating activities less: cash flow from operating activities of Financial Services; investments of Industrial Activities in property, plant and equipment and intangible assets; as well as other changes and intersegment eliminations.

CO₂ Emissions Reduction % ("CO₂ Reduction %"): The CO₂ emissions reduction will measure the percentage change of the CO₂ Emissions levels at the end of the respective performance periods versus the baseline at the end of 2019. The absolute CO₂ emissions is measured in tons of CO₂eq emissions in the manufacturing processes from Scope 1 and Scope 2 sources as defined:

- Scope 1 emissions are direct emissions from owned or controlled sources
- Scope 2 emissions are indirect emissions from the generation of purchased energy

Relative Total Shareholder Return (Relative TSR): is the annualised rate of return, reflecting stock price performance (adjusted for dividends paid) over the cumulative performance period of the respective annual grants, using a 30-day average. Iveco Group N.V.'s Total Shareholder Return (TSR) is compared to the TSR of the comparator group, to determine the percentile ranking over the Performance Period.

MAJOR SHAREHOLDERS

As of 31 December 2025, the Company's issued share capital amounted to €3,454,589.70 and was divided into 271,215,400 Common Shares (266,346,803 Common Shares outstanding, net of 4,868,597 Common Shares held in treasury by the Company) and 74,243,570 Special Voting Shares (73,903,096 Special Voting Shares outstanding, net of 340,474 Special Voting Shares surrendered to the Company following the de-registration of the corresponding Qualifying Common Shares from the Loyalty Register and which are held as treasury shares by the Company) as described in Note 21 "Equity" of the Consolidated Financial Statements.

The following table sets forth information with respect to ownership of the Company's share capital of 3% or more as of 31 December 2025 based on public regulatory filings by direct and indirect shareholders and other sources available to the Company.

Holder	Number of Common Shares held	Number of Special Voting Shares held	Percentage of overall issued shares held (1)	Percentage of total voting rights (2)
Giovanni Agnelli B.V. (3)	73,385,580	73,385,580.00	42.49 %	42.49 %
Burlington Loan Management DAC	17,340,365	—	5.02 %	5.02 %
Syquant Capital	11,339,854	—	3.28 %	3.28 %
BlackRock Inc.(4)	10,570,814	—	3.06 %	3.32 %
Citigroup Inc.(5)	10,649,546	—	3.08 %	3.08 %

(1) For the purpose of this column of the table, the percentages refer to both the Iveco Group Common Shares and the Iveco Group Special Voting Shares.

(2) For the purpose of this column of the table, the percentages refer to both the Iveco Group Common Shares and the Iveco Group Special Voting Shares. In line with the information provided by the AFM, the percentages of the total voting rights are calculated based on the number of issued shares including the treasury shares (as set out above); no voting rights may be exercised for any share held by the Company in its own capital.

(3) Held via Exor N.V.

(4) Based on regulatory filings with the AFM, on 29 December 2025, BlackRock Inc. held (i) indirectly (actual) 8,318,993 Common Shares and 9,054,033 Voting rights; (ii) indirectly (potential) 2,251,821 Common Shares and 2,421,247 voting rights. No change was filed thereafter in 2025.

(5) Based on regulatory filings with the AFM, on 5 December 2025, Citigroup Inc. held (i) indirectly (actual) 8,538,046 Common Shares and (ii) indirectly (potential) 2,111,500 options. No change was filed thereafter in 2025.

The Company's Common Shares are listed on the Euronext Milan. They are accepted for clearance through the book-entry facilities of Monte Titoli S.p.A. which has its offices at Piazza degli Affari 6, Milan, Italy.

The Special Voting Shares are neither listed nor tradable and are transferable only in very limited circumstances and only together with the Common Shares to which they are associated (see section "Governance Statement" of the present Report).

SUBSEQUENT EVENTS AND FINANCIAL GUIDANCE

SUBSEQUENT EVENTS

Iveco Group has evaluated subsequent events through 4 March 2026, which is the date the Consolidated Financial Statements were authorised for issuance, and noted the following:

- on 23 January 2026, the Group announced that the corporate carve-out of the Defence Business (IDV and ASTRA brands) was completed in 2025 and the required regulatory approval processes are in progress as expected
- on 11 February 2026, the Group announced that an extraordinary general meeting (EGM) of its shareholders will be held in Amsterdam on 25 March 2026. The EGM will be asked to approve that the Board of Directors, subject to completion of the sale of the Defence Business to Leonardo S.p.A. (the "Sale Transaction"), resolve upon the extraordinary interim dividend distribution of the net proceeds of the Sale Transaction (the "Interim Dividend Distribution"). The estimated extraordinary dividend is expected at € 5.5-6.0 per common share. Payment is currently anticipated in April 2026 after contractual closing adjustments are finalised, in line with the standard ex-dividend date of 20 April on the Italian Stock Exchange calendar. As a precautionary measure, in case the Sale Transaction is expected not to be completed by 31 March 2026, the EGM will be asked to vote on the statutory demerger of Iveco Group, which would transfer the Defence Business into IDV Group N.V. ("IDV Group"), a company newly incorporated under Dutch law (the "Demerger"). The common and special voting shares of IDV Group would be proportionally allotted to Iveco Group shareholders existing at the time of the Demerger, with common shares listed and traded on Euronext Milan ("Admission"). The Board of Directors reserves the right to remove the discussion of the Interim Dividend Distribution from the agenda of the EGM in case it becomes evident prior to the EGM that the Sale Transaction will not be completed ultimately on 31 March 2026. On the other hand, the Board of Directors reserves the right to remove the discussion of the Demerger in case it becomes evident prior to the EGM that the Sale Transaction has been completed or will be completed.

2026 FINANCIAL GUIDANCE

As already announced by the Company on 23 January 2026, and confirmed on 12 February 2026 during the presentation of its fourth quarter and preliminary full year 2025 financial results, no financial guidance for 2026 performance is provided.

4 March 2026

The Board of Directors

Suzanne Heywood

Olof Persson

Lorenzo Simonelli

Judy Curran

Tufan Erginbilgic

Clara Fain

Essimari Kairisto

Linda Knoll

Alessandro Nasi

IVECO GROUP CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

CONSOLIDATED INCOME STATEMENT^(*)

(€ million)	Note	2025	2024
Net revenues	(1)	13,428	14,417
Cost of sales	(2)	11,328	11,972
Selling, general and administrative costs	(3)	857	926
Research and development costs	(4)	559	589
Result from investments:	(5)	38	18
Share of the profit/(loss) of investees accounted for using the equity method	(5)	26	26
Other income/(expenses) from investments	(5)	12	(8)
Gains/(losses) on the disposal of investments	(14)	2	1
Restructuring costs	(6)	10	24
Other income	(7)	26	43
Other expenses	(7)	202	239
EBIT		538	729
Net financial income/(expenses):	(8)	(222)	(192)
Financial income	(8)	115	105
Financial expenses	(8)	337	297
PROFIT/(LOSS) BEFORE TAXES		316	537
Income tax (expense) benefit	(9)	(82)	(48)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		234	489
Post-tax profit of Discontinued Operations - Defence Business ⁽¹⁾		64	49
Post-tax loss of Discontinued Operations - Fire Fighting Business		—	(42)
Post-tax loss on the measurement to fair value less costs to sell of Discontinued Operations - Fire Fighting Business ⁽²⁾		(9)	(144)
PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS, NET OF TAX		55	(137)
PROFIT/(LOSS) FOR THE PERIOD		289	352
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:			
Owners of the parent		289	349
Non-controlling interests		—	3

(in €)

Basic earnings/(loss) per Common Share from Continuing Operations	(11)	0.88	1.82
BASIC EARNINGS/(LOSS) PER COMMON SHARE	(11)	1.08	1.31
Diluted earnings/(loss) per Common Share from Continuing Operations	(11)	0.88	1.79
DILUTED EARNINGS/(LOSS) PER COMMON SHARE	(11)	1.08	1.29

^(*) In 2025, the Defence Business is classified as Discontinued Operations; comparative periods have been recast consistently. See the following paragraph "Discontinued Operations - Defence Business" for additional details. Furthermore, in 2024 the Fire Fighting business was classified as Discontinued Operations.

⁽¹⁾ This item includes the post-tax profit of Defence Business amounting to €108 million and €49 million in the years ended 31 December 2025 and 2024, respectively. In the year ended 31 December 2025, it also includes €22 million costs, after-tax, for the separation of Defence business from Iveco Group, primarily comprising professional fees for legal, financial and other advisory services (€25 million before-tax) and €22 million taxes paid in connection with the corporate carve-out the Defence business.

⁽²⁾ In 2025, this item includes a €9 million post-closing adjustment loss on the Fire Fighting transfer.

The accompanying notes are an integral part of the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(€ million)</i>	Note	2025	2024
PROFIT/(LOSS) (A)		289	352
Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss:			
Gains/(losses) on the remeasurement of defined benefit plans	(21)	39	42
Fair value gain/(loss) on equity investments measured at fair value through other comprehensive income	(21)	—	(4)
Tax effect of Other comprehensive (loss)/income that will not be reclassified subsequently to profit or loss	(21)	(5)	(5)
Items relating to Discontinued Operations, net of tax		—	1
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss, net of tax (B1)		34	34
Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss:			
Gains/(losses) on cash flow hedging instruments	(21)	33	(22)
Foreign exchange gains/(losses) on translation of foreign operations	(21)	(49)	(74)
Tax effect of Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss	(21)	(9)	9
Items relating to Discontinued Operations, net of tax		(1)	(5)
Total Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss, net of tax (B2)		(26)	(92)
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS), NET OF TAX (B) = (B1) + (B2)		8	(58)
TOTAL COMPREHENSIVE INCOME/(LOSS) (A)+(B)		297	294
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:			
Owners of the parent		304	286
Non-controlling interests		(7)	8
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:			
Continuing Operations		243	435
Discontinued Operations		54	(141)

The accompanying notes are an integral part of the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION^(*)

(€ million)	Note	At 31 December 2025	At 31 December 2024
ASSETS			
Intangible assets	(12)	2,087	2,039
Property, plant and equipment	(13)	3,028	3,147
Investments and other non-current financial assets:	(14)	279	223
Investments accounted for using the equity method		202	171
Equity investments measured at fair value through other comprehensive income		9	10
Other investments and non-current financial assets		68	42
Leased assets	(15)	94	93
Defined benefit plan assets	(22)	52	36
Deferred tax assets	(9)	644	774
Total Non-current assets		6,184	6,312
Inventories	(16)	2,509	2,871
Trade receivables	(17)	336	405
Receivables from financing activities	(17)	4,831	5,185
Current tax receivables	(17)	142	133
Other current receivables and financial assets	(17)	497	470
Prepaid expenses and other assets		171	121
Derivative assets	(18)	14	23
Cash and cash equivalents	(19)	2,953	3,513
Total Current assets		11,453	12,721
Assets held for sale - Discontinued Operations	(20)	1,221	399
Assets held for sale - other	(20)	5	5
TOTAL ASSETS		18,863	19,437

(*) At 31 December 2025, Assets held for sale – Discontinued Operations and Liabilities held for sale – Discontinued Operations include the assets and the liabilities, respectively, of the Defence business classified as a disposal group held for sale and as Discontinued Operations. At 31 December 2024, these items included the assets and the liabilities, respectively, of the Fire Fighting business classified as a disposal group held for sale and as Discontinued Operations.

The accompanying notes are an integral part of the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION^(*)

(CONTINUED)

<i>(€ million)</i>	Note	At 31 December 2025	At 31 December 2024
EQUITY AND LIABILITIES			
Issued capital and reserves attributable to owners of the parent		2,760	2,699
Non-controlling interests		59	70
Total Equity	(21)	2,819	2,769
Provisions:		1,981	2,515
Employee benefits	(22)	397	466
Other provisions	(23)	1,584	2,049
Debt:	(24)	6,061	6,306
Asset-backed financing	(24)	3,166	3,558
Other debt	(24)	2,895	2,748
Derivative liabilities	(18)	21	61
Trade payables	(25)	3,753	3,956
Tax liabilities	(9)	63	85
Deferred tax liabilities	(9)	33	48
Other liabilities	(26)	3,224	3,434
Liabilities held for sale - Discontinued Operations	(20)	908	263
Total Liabilities		16,044	16,668
TOTAL EQUITY AND LIABILITIES		18,863	19,437

(*) At 31 December 2025, Assets held for sale – Discontinued Operations and Liabilities held for sale – Discontinued Operations include the assets and the liabilities, respectively, of the Defence business classified as a disposal group held for sale and as Discontinued Operations. At 31 December 2024, these items included the assets and the liabilities, respectively, of the Fire Fighting business classified as a disposal group held for sale and as Discontinued Operations.

The accompanying notes are an integral part of the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS^(*)

<i>(€ million)</i>	Note	2025	2024
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(19)	3,513	2,698
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:			
Profit/(loss) from Continuing Operations for the year		234	489
Amortisation and depreciation (excluding assets sold under buy-back commitments and operating leases) ^{(a)(b)}		736	657
(Gains)/losses on disposal of non-current assets (excluding assets sold under buy-back commitments) ^(a)		(2)	(20)
Other non-cash items		(10)	(1)
Dividends received		15	20
Change in provisions		(351)	199
Change in deferred income taxes		76	(95)
Change in items due to buy-back commitments ^(a)		(39)	(14)
Change in operating lease items ^(b)		(30)	(29)
Change in trade receivables		127	(106)
Change in inventories		(199)	(122)
Change in trade payables		17	107
Change in other receivables/payables		31	44
Change in receivables from financing activities ^(c)	(33)	346	527
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM CONTINUING OPERATIONS		951	1,656
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM DEFENCE BUSINESS		159	183
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM FIRE FIGHTING BUSINESS		—	(108)
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM DISCONTINUED OPERATIONS		159	75
TOTAL		1,110	1,731
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:			
Investments in:			
Property, plant and equipment and intangible assets (excluding assets sold under buy-back commitments and operating leases) ^{(a)(b)}		(775)	(914)
Consolidated subsidiaries and other equity investments		—	—
Proceeds from the sale of non-current assets (excluding assets sold under buy-back commitments) ^(a)		1	(11)
Cash used in other current and non-current financial assets		(69)	(166)
Proceeds from other current and non-current financial assets		135	145
Other changes		28	235
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM CONTINUING OPERATIONS		(680)	(711)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM DEFENCE BUSINESS		25	(147)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM FIRE FIGHTING BUSINESS		—	35
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM DISCONTINUED OPERATIONS		25	(112)
TOTAL		(655)	(823)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:			
Cash receipts from long-term financing liabilities		424	1,364
Repayment of long-term financing liabilities		(559)	(739)
Net cash receipts from/(repayment of) short-term financing liabilities		(339)	(409)
Change in derivative assets/liabilities		(73)	8
Capital contributions to Discontinued Operations		—	(168)
Dividends paid		(88)	(91)
Purchase of treasury shares		—	(60)
Purchase of ownership interests in subsidiaries		(7)	—

CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM CONTINUING OPERATIONS	(642)	(95)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM DEFENCE BUSINESS	13	(3)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM FIRE FIGHTING BUSINESS	—	166
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM DISCONTINUED OPERATIONS	13	163
TOTAL	(629)	68
Translation exchange differences	(51)	(52)
TOTAL CHANGE IN CASH AND CASH EQUIVALENTS	(225)	924
Less: Cash and cash equivalent – included within "Assets held for sale - Discontinued Operations" at end of the year	335	109
CASH AND CASH EQUIVALENTS OF CONTINUING OPERATIONS AT END OF YEAR	(19)	2,953
		3,513

- (a) Cash generated from the sale of vehicles under buy-back commitments, net of amounts included in Profit/(loss), is recognised in a single line item, which includes capital expenditure, depreciation and impairment losses, and related operating activities changes.
- (b) Cash from operating lease is recognised under operating activities in a single line item, which includes capital expenditure, depreciation, write-downs and changes in inventory.
- (c) Starting from 2025, changes in receivables from financing activities of Financial Services, previously included in the Cash flows from/(used in) investing activities, have been included in the Cash flows from/(used in) operating activities to improve comparability with Iveco Group peers. Figures for 2024 have been reclassified consistently.
- (*) In 2025, the Defence Business is classified as Discontinued Operations; comparative periods have been recast consistently. See the following paragraph "Discontinued Operations - Defence Business" for additional details. Furthermore, in 2024 the Fire Fighting business was classified as Discontinued Operations. See the following paragraph "Discontinued Operations - Fire Fighting Business" for additional details.

The accompanying notes are an integral part of the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY^(*)

(€ million)	Attributable to the owners of the parent										
	Share capital ⁽¹⁾	Treasury shares ⁽¹⁾	Capital reserves ⁽¹⁾	Earnings reserves ⁽¹⁾	Cash flow hedge reserve ⁽²⁾	Cumulative translation adjustment reserve	Defined benefit plans remeasurement reserve ⁽³⁾	Equity investments at FVTOCI ⁽⁴⁾	Cumulative share of OCI of entities consolidated under the equity method	Non-controlling interests ⁽¹⁾	Total equity ⁽¹⁾
AT 31 DECEMBER 2023	3	(49)	2,324	700	(2)	(466)	(114)	(42)	—	36	2,390
Dividends distributed	—	—	—	(59)	—	—	—	—	—	—	(59)
Purchase of treasury shares	—	(60)	—	—	—	—	—	—	—	—	(60)
Common Shares issued from treasury shares for share-based compensation	—	45	(45)	—	—	—	—	—	—	—	—
Share-based compensation expense	—	—	13	—	—	—	—	—	—	—	13
Profit/(loss)	—	—	—	349	—	—	—	—	—	3	352
Other comprehensive income/(loss)	—	—	—	—	(11)	(82)	34	(4)	—	5	(58)
Total Comprehensive income/(loss)	—	—	—	349	(11)	(82)	34	(4)	—	8	294
Other changes ⁽⁵⁾	—	—	—	165	—	—	—	—	—	26	191
AT 31 DECEMBER 2024	3	(64)	2,292	1,155	(13)	(548)	(80)	(46)	—	70	2,769
Dividends distributed	—	—	—	(88)	—	—	—	—	—	—	(88)
Purchase of treasury shares	—	—	—	—	—	—	—	—	—	—	—
Common Shares issued from treasury shares for share-based compensation	—	20	(20)	—	—	—	—	—	—	—	—
Share-based compensation expense	—	—	11	—	—	—	—	—	—	—	11
Profit/(loss)	—	—	—	289	—	—	—	—	—	—	289
Other comprehensive income/(loss)	—	—	—	—	24	(43)	34	—	—	(7)	8
Total Comprehensive income/(loss)	—	—	—	289	24	(43)	34	—	—	(7)	297
Other changes ⁽⁵⁾	—	—	(11)	(155)	—	—	—	—	—	(4)	(170)
AT 31 DECEMBER 2025	3	(44)	2,272	1,201	11	(591)	(46)	(46)	—	59	2,819

(*) Figures disclosed in this table refer to total Iveco Group equity (including both Continuing and Discontinued Operations).

(1) See Note 21 "Equity".

(2) See Note 18 "Derivative assets and Derivative liabilities".

(3) See Note 22 "Provisions for employee benefits".

(4) See Note 14 "Investments and other non-current financial assets".

(5) Other changes of "Earnings reserves" include the impact of IAS 29 - Financial reporting in hyperinflationary economies applied for subsidiaries that prepare their financial statements in a functional currency of a hyperinflationary economy. Starting from 1 January 2025, one of the Group's Argentine subsidiaries changed its functional currency from the Argentine peso to the U.S. dollar, as a consequence, IAS 29 is no longer applicable in Argentina since that date. In 2024, it also included the equity attributable to the Fire Fighting business, classified as Discontinued Operations at 31 December 2024, amounting to €136 million. In 2025, this item primarily includes the effect of the definitive agreement to transfer the Fire Fighting business. Furthermore, Other changes of "Capital reserves" include the impact of the change in accounting treatment from equity-settled to cash-settled of certain share-based payment awards.

The accompanying notes are an integral part of the Consolidated Financial Statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

BACKGROUND

Iveco Group N.V. (the "Company" and, together with its subsidiaries, the "Iveco Group" or the "Group") was incorporated as a public limited company (*naamloze vennootschap*) under the laws of the Netherlands on 16 June 2021. The Company's corporate seat is in Amsterdam, the Netherlands, and its principal office and business address is Via Puglia n. 35, Turin, Italy. The Company is registered with the trade register of the Chamber of Commerce of the Netherlands (*Kamer van Koophandel*) under number 83102701. The Netherlands is the Company's home member state for the purposes of the EU Transparency Directive (Directive 2004/109/EC, as amended by Directive 2013/50/EU). Unless otherwise indicated or the context otherwise requires, the terms "we", "us" and "our" refer to Iveco Group N.V. together with its subsidiaries.

The Company was formed in the context of the separation ("the Demerger") of the Commercial and Specialty Vehicles business, the Powertrain business as well as the related Financial Services business from CNH Industrial N.V. The Demerger became effective on 1 January 2022, and the Company ultimately began to act as a holding for the Iveco Group, also providing for central treasury activity in the interest of Group's subsidiaries.

On 3 January 2022, the Company's Common Shares started trading on Euronext Milan, a regulated market operated by Borsa Italiana S.p.A. in Milan, Italy. As a result of the listing, the Company became a Dutch Public Interest Entity (OOB) on 3 January 2022.

Iveco Group N.V. is a global automotive leader that, through its various businesses, designs, produces and sells trucks, commercial vehicles, buses and defence vehicles, in addition to a broad portfolio of powertrain applications. In addition, Iveco Group's Financial Services segment offers a range of financial products and services to dealers and customers. See Note 28 "Segment reporting" for additional information on Iveco Group's segments.

Merger Agreement with Tata Motors

On 30 July 2025, Iveco Group and Tata Motors Limited ("Tata Motors"), a global automotive leader, announced that they had reached an agreement on an envisaged recommended voluntary tender offer (the "Offer") to create a commercial vehicles group with the reach, product portfolio and industrial capability to be a global champion in this dynamic sector. The completion of the offer is conditional, *inter alia*, on the separation of Iveco Group's Defence business and, as such, the public offer is for all issued common shares of Iveco Group after the separation of that business, at a price of €14.1 (*cum dividend*, excluding any dividend distributed in relation to the sale of the Defence business) per share in cash (the "Offer Price"). The Offer represents a total consideration of approximately €3.8 billion for Iveco Group, excluding Iveco Group's Defence business and the net proceeds from the Defence business separation. The Iveco Group Board of Directors unanimously and fully supported the Offer and recommended the Offer for acceptance by the shareholders of Iveco Group. Exor N.V., Iveco Group's largest shareholder, has irrevocably committed to support the Offer and tender its shareholding representing approximately 27.06% of Iveco Group's common shares and 43.11% of all voting rights. The Offer is subject to obtaining the required merger control, foreign direct investment, EU Foreign Subsidies Regulation and financial regulatory clearances, and is expected to complete in the first half of 2026.

BASIS OF PREPARATION

These consolidated financial statements together with the notes of Iveco Group at 31 December 2025 (the "Consolidated Financial Statements") were authorised for issuance by the Board of Directors of Iveco Group N.V. on 4 March 2026 and have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. The designation IFRS also includes International Accounting Standards (IAS), as well as all interpretations of the IFRS Interpretations Committee (IFRIC).

The financial statements are prepared under the historical cost convention, modified as required for the measurement of certain financial instruments, as well as on a going concern basis. Despite operating in a continuously difficult economic and financial environment negatively impacted by the effects of current macroeconomic and geopolitical issues, energy and material price variability, the Group's assessment is that no material uncertainties (as defined in paragraph 25 of IAS 1) exist about its ability to continue as a going concern, in view also of the measures undertaken by the Group to preserve cash and contain costs, and to preserve its industrial and financial flexibility and its strong liquidity position. These Consolidated Financial Statements are prepared using the euro as the presentation currency.

ACCOUNTING POLICIES

Format of the financial statements

Iveco Group presents an income statement using a classification based on the function of expenses (otherwise known as the "cost of sales" method), rather than one based on their nature, as this is believed to provide information that is more relevant.

For the statement of financial position, a mixed format has been selected to present current and non-current assets and liabilities, as permitted by IAS 1 – *Presentation of Financial Statements*. The Consolidated Financial Statements include both industrial activities companies and financial services companies. The investment portfolios of the financial services companies are included in current assets, as the investments will be realised in their normal operating cycle. However, financial services companies obtain only a portion of their funding from the market; the remainder is obtained from the parent company (included in the Industrial Activities) through its treasury activity, which lends funds both to industrial activities companies and to financial services companies as the need arises. This financial services structure within the Iveco Group does not allow the separation of financial liabilities funding the financial services operations (whose assets are reported within current assets) and those funding the industrial activities operations. Presentation of financial liabilities as current or non-current based on their date of maturity would not facilitate a meaningful comparison with financial assets, which are categorised on the basis of their normal operating cycle. Disclosure of the due dates of financial liabilities is however provided in the notes.

The Consolidated Statement of Cash Flows is presented using the indirect method. Starting from 2025, changes in receivables from financing activities, previously included in the Cash flows from/(used in) investing activities, have been included in the Cash flows from/(used in) operating activities to improve comparability with Iveco Group peers. Figures for the year ended 31 December 2024 have been reclassified consistently.

Basis of consolidation

Subsidiaries

Subsidiaries are entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases. Non-controlling interests in the net assets of consolidated subsidiaries and non-controlling interests in the profit or loss of consolidated subsidiaries are presented separately from the interests of the owners of the parent in the consolidated statement of financial position and income statement respectively. Losses applicable to non-controlling interests which exceed the non-controlling interests in the subsidiary's equity are debited to non-controlling interests.

Changes in the Group's ownership interests in subsidiaries that do not result in the loss of control are accounted for as equity transactions. The carrying amounts of the equity attributable to owners of the parent and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the book value of the non-controlling interests and the fair value of the relevant consideration is recognised directly in the equity attributable to the owners of the parent.

If the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the relevant consideration and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Any profits or losses recognised in other comprehensive income in respect of the subsidiary are accounted for as if the subsidiary had been sold (i.e. are reclassified to profit or loss or transferred directly to retained earnings depending on the applicable IFRS).

Subsidiaries that are either dormant or generate a negligible volume of business, are not consolidated. Their impact on the Group's assets, liabilities, financial position and profit/(loss) attributable to the owners of the parent is immaterial.

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Investments in joint ventures are accounted for using the equity method from the date that joint control commences until the date that joint control ceases.

Associates

Associates are enterprises over which the Group has significant influence. As defined in IAS 28 – *Investments in Associates and Joint Ventures*, significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. Investments in associates are accounted for using the equity method from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses of an associate, if any, exceeds the carrying amount of the associate in the Group's statement of financial position, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

Investments in other companies

Investments in other companies are measured at fair value. With reference to equity investments for which there is no quoted market price in an active market and there is insufficient financial information in order to determine fair value, cost is used as an estimate of fair value, as permitted by IFRS 9 - *Financial Instruments*. The Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income upon the initial recognition of an equity investment that is not held to sell. This election is made on an investment-by-investment basis. Dividends received from these investments are included in Other income/(expenses) from investments unless they are basically a repayment of the initial investment (in case of investments measured at fair value through other comprehensive income).

Transactions eliminated on consolidation

All significant intragroup balances and transactions and any unrealised gains and losses arising from intragroup transactions are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with associates and joint ventures are eliminated to the extent of the Group's interest in those entities.

Foreign currency transactions

Transactions in foreign currencies are recorded at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate prevailing at that date. Exchange differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period or in previous financial statements, are recognised in profit or loss.

Consolidation of foreign entities

All assets and liabilities of subsidiaries with a functional currency other than the euro are translated using the exchange rates in effect at the balance sheet date. Income and expenses are translated at the average exchange rate for the period. Translation differences resulting from the application of this method are classified as equity until the disposal of the investment. Average rates of exchange are used to translate the cash flows of foreign subsidiaries in preparing the consolidated statement of cash flows.

The goodwill, assets acquired and liabilities assumed arising from the acquisition of entities with a functional currency other than the euro are recognised in the functional currency and translated at the exchange rate at the acquisition date. These balances are subsequently retranslated at the exchange rate at the balance sheet date.

The Group applies IAS 29 - *Financial reporting in hyperinflationary economies* for its subsidiaries that prepare their financial statements in a functional currency of a hyperinflationary economy. According to this standard, at the reporting date, the amount of non-monetary assets and liabilities is redetermined using a general price index before being translated into euro. The financial statements of these subsidiaries are then translated at the closing spot rate.

The principal exchange rates used to translate into euros the financial statements prepared in currencies other than the euro were as follows:

	Average 2025	At 31 December 2025	Average 2024	At 31 December 2024
U.S. dollar	1.130	1.175	1.082	1.039
Pound sterling	0.857	0.873	0.847	0.829
Swiss franc	0.937	0.931	0.953	0.941
Brazilian real	6.306	6.469	5.830	6.435
Polish Zloty	4.240	4.227	4.307	4.273
Czech Koruna	24.688	24.237	25.120	25.185
Argentine peso ⁽¹⁾	—	—	1,070.806	1,070.806
Turkish lira ⁽²⁾	50.331	50.331	36.769	36.769

(1) From 1 July 2018, Argentina's economy was considered to be hyperinflationary. After the same date, transactions for entities with the Argentine peso as the functional currency were translated using the closing spot rate. Starting from 1 January 2025, this entity changed its functional currency from the Argentine peso to the U.S. dollar, as a consequence, IAS 29 is no longer applicable in Argentina since that date.

(2) As of 30 June 2022, the Company applied the hyperinflationary accounting in Türkiye, with effect from 1 January 2022. After 1 January 2022, according to IAS 29, transactions for entities with the Turkish lira as the functional currency were translated using the closing spot rate.

Business combinations

Business combinations are accounted for by applying the acquisition method. Under this method:

- the consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred and liabilities assumed by the Group and the equity interests issued in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred

- at the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at that date, except for deferred tax assets and liabilities, assets and liabilities relating to employee benefit arrangements, liabilities or equity instruments relating to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree, assets (or disposal groups) that are classified as held for sale, which are measured in accordance with the relevant standard
- goodwill is measured as the excess of the aggregate of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a gain from a bargain purchase
- non-controlling interest is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The selection of the measurement method is made on a transaction-by-transaction basis
- any contingent consideration arrangement in the business combination is measured at its acquisition-date fair value and included as part of the consideration transferred in the business combination in order to determine goodwill. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are recognised retrospectively, with corresponding adjustments to goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which may not exceed one year from the acquisition date) about facts and circumstances that existed as of the acquisition date. Any changes in fair value after the measurement period are recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Changes in the equity interest in the acquiree that have been recognised in Other comprehensive income in prior reporting periods are reclassified to profit or loss as if the interest had been disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete in the Consolidated Financial Statements. Those provisional amounts are adjusted during the above-mentioned measurement period to reflect new information obtained about facts and circumstances that existed at the acquisition date which, if known, would have affected the amounts recognised at that date.

Fair value measurement

Some of the Group's assets and liabilities are measured at fair value at the balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or a liability, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Additional information about fair value, fair value hierarchy, valuation techniques and inputs used in determining the fair value of assets and liabilities is provided in Note 18, Note 31 and, where required, in the individual notes relating to the assets and liabilities whose fair value were determined.

In addition, fair value measurements are categorised within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) on the market
- Level 3 — inputs that are not based on observable market data.

Intangible assets

Goodwill

Goodwill is not amortized but is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Development costs

Development costs for vehicle production project (trucks, buses, defence vehicles and engines) are recognised as an asset if and only if both of the following conditions are met: a) development costs can be measured reliably, b) the technical feasibility of the product, volumes and pricing support the view that the development expenditure will generate future economic benefits, and c) the intention to complete the intangible asset, as well as d) the availability of adequate technical, financial and other resources for this purpose. Capitalised development costs include all direct and indirect costs that may be directly attributed to the development process. Capitalised development costs are amortized on a systematic basis from the start of production of the related product over the product's estimated average life, as follows:

	N° of years
Trucks, buses and defence vehicles	4-10
Engines	2-10

All other development costs are expensed as incurred.

Intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives principally consist of acquired trademarks which have no legal, regulatory, contractual, competitive, economic, or other factor that limits their useful life. Intangible assets with an indefinite useful life are not amortized but are tested for impairment annually or more frequently whenever there is an indication that the asset may be impaired.

Other intangible assets

Other purchased and internally-generated intangible assets are recognised as assets in accordance with IAS 38 – *Intangible Assets*, where it is probable that the use of the asset will generate future economic benefits and where the costs of the asset can be determined reliably.

Such assets are measured at purchase or manufacturing cost and amortized on a straight-line basis over their estimated useful lives, if these assets have finite useful lives.

Other intangible assets acquired as part of the acquisition of a business are capitalised separately from goodwill if their fair value can be measured reliably.

Property, plant and equipment

Cost

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment.

Subsequent expenditures and the cost of replacing parts of an asset are capitalised only if they increase the future economic benefits embodied in that asset. All other expenditures are expensed as incurred. When such replacement costs are capitalised, the carrying amount of the parts that are replaced is recognised in profit or loss.

Property, plant and equipment also include assets sold with a buy-back commitment, which are recognised under the method described in the paragraph "Revenue recognition".

Depreciation

Depreciation is recorded on a straight-line basis over the estimated useful lives of the respective assets as follows:

	Depreciation rates
Buildings	3% - 10%
Plant, machinery and equipment	8% - 25%
Other assets	12% - 30%

Land is not depreciated.

Lease accounting policy

Lessee accounting

A lease is a contract that conveys the right to control the use of an identified asset (the leased asset) for a period of time in exchange for consideration. The lease term determined by the Group comprises the non-cancellable period of lease contract together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. For real estate leases, this assessment is based on an analysis by management of all relevant facts and circumstances including the leased asset's purpose, the economic and practical potential for replacing and any plans that the Group has in place for the future use of the asset. The Group combines lease and non-lease components.

For leases with terms not exceeding twelve months (short-term leases) and for leases of low-value assets, Iveco Group recognises the lease payments associated with those leases on a straight-line basis over the lease term as operating expense in the income statement.

For all other leases, at the commencement date (i.e., the date the underlying asset is available for use), Iveco Group recognises a right-of-use asset, classified within Property, plant and equipment, and a lease liability, classified within Other Debt.

At the commencement date, the right-of-use asset includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. At the same date, the lease liability is measured at the present value of lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The incremental borrowing rate is determined considering macro-economic factors such as the specific interest rate curve based on the relevant currency and term, as well as specific factors contributing to Iveco Group's credit spread. The Group primarily uses the incremental borrowing rate as the discount rate for its lease liabilities.

After the commencement date, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated on a straight-line basis. If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, Iveco Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. After the commencement date, the lease liability is increased to reflect the accretion of interest, recognised within Financial expenses in the Income Statement, reduced for the lease payments made, and remeasured to reflect any reassessment or lease modifications.

Lessors accounting

Lease contracts where Iveco Group acts as a lessor, can be classified as either an operating lease or finance lease. Leases where a significant portion of the risks and rewards are retained by the lessor are classified as operating leases. Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are classified as a finance leases.

Where Iveco Group is the lessor in a finance lease, the future minimum lease payments from lessees are classified as Receivables from financing activities. Lease payments are recognised as repayment of the principal, and financial income remunerating the initial investment and the services provided.

Where Iveco Group is the lessor in an operating lease, income from operating leases is recognised over the term of the lease on a straight-line basis. Leased assets include vehicles leased to retail customers by the Group's leasing companies. They are stated at cost and depreciated at annual rates of between 20% and 33%.

When leased assets are no longer leased and become held for sale, the Group reclassifies their carrying amount to Inventories.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets (as defined under IAS 23 – *Borrowing Costs*), which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised and amortized over the useful life of the class of assets to which they refer.

All other borrowing costs are expensed when incurred.

Impairment of assets

The Group reviews, at least annually, the recoverability of the carrying amount of intangible assets (including capitalised development costs) and property, plant and equipment, in order to determine whether there is any indication that those assets have suffered an impairment loss. Goodwill and Intangible assets with indefinite useful lives are tested for impairment annually or more frequently, if there is an indication that an asset may be impaired.

If indicators of impairment are present, the carrying amount of the assets is reduced to its recoverable amount that is the higher of its fair value less disposal costs and its value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. In assessing its value in use, the pre-tax estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised when the recoverable amount is lower than the carrying amount.

Where a previous impairment loss for assets other than goodwill no longer exists or has decreased, the carrying amount of the asset or cash-generating unit is increased up to the revised estimate of its recoverable amount, but not in excess of the carrying amount that would have been recorded had no impairment loss been recognised. A reversal of an impairment loss is recognised in profit or loss immediately.

Financial instruments

Presentation

Financial instruments held by the Group are presented and measured in the financial statements as described in the following paragraphs.

Investments and other non-current financial assets comprise investments in unconsolidated companies and other non-current financial assets (securities, and other non-current financial receivables).

Current financial assets include trade receivables, receivables from financing activities (retail financing, dealer financing, lease financing and other current loans to third parties), current securities and other current financial assets (which include derivative financial instruments stated at fair value as assets), as well as cash and cash equivalents.

Current securities include short-term or marketable securities which represent temporary investments of available funds and do not satisfy the requirements for being classified as cash equivalents.

Financial liabilities refer to debt, which includes asset-backed financing, and derivative liabilities (which include derivative financial instruments stated at fair value as liabilities), trade payables and other liabilities.

Measurement

Investments in unconsolidated companies classified as non-current financial assets are accounted for as described in the paragraph "Basis of consolidation".

In accordance with IFRS 9 - *Financial Instruments*, financial assets are classified as measured at either amortized cost ("AC"), fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL"), depending on the business model for managing such financial assets and the asset's contractual cash flow characteristics. Financial liabilities are classified as measured at amortized cost using the effective interest method.

Financial assets and current securities acquired through a regular way purchase are recognised on the basis of the settlement date and, on initial recognition, are measured at fair value, including transaction costs where applicable. Subsequent measurement depends on the business model for managing the asset and the cash flow characteristics of the asset.

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost using the effective interest method. Receivables with maturities of over one year which bear no interest or an interest rate significantly lower than market rates are discounted using market rates.

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interests, are measured at fair value through other comprehensive income. Gains and losses on assets measured at fair value through other comprehensive income are recognised directly in other comprehensive income until the financial asset is disposed of or is determined to be impaired; when the asset is disposed of, the cumulative gains or losses, including those previously recognised in other comprehensive income, are reclassified to profit or loss; when the asset is impaired, impairment losses are recognised to profit or loss. Interest income from these financial assets is included in financial income.

As a result of the Group's business model, trade receivables and receivables from financing activities are subsequently measured at amortized cost. The recognition of an impairment is based on expected credit losses.

Cash and cash equivalents include cash at banks, units in liquidity funds, other money market securities and other cash equivalents. Cash and cash equivalents are subject to an insignificant risk of changes in value. Money market securities consist of investments in high-quality, short-term, diversified financial instruments that can generally be liquidated on demand and are measured at FVTPL. Cash at banks and Other cash equivalents are measured at amortized cost.

Derivatives financial assets and liabilities are measured either at fair value through other comprehensive income (when in a hedging relationship) or at fair value through profit or loss (see "Derivative financial instruments" below).

Financial assets and liabilities hedged by derivative instruments are measured in accordance with hedge accounting principles applicable to fair value hedges: gains and losses arising from remeasurement at fair value, due to changes in the respective hedged risk, are recognised in profit or loss and are offset by the effective portion of the loss or gain arising from remeasurement at fair value of the hedging instrument.

Derivative financial instruments

Derivative financial instruments are used for hedging purposes, in order to reduce currency, interest rate and market price risks. In accordance with IFRS 9 - *Financial Instruments*, derivative financial instruments qualify for hedge accounting only when, at the inception of the hedge, there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge, there is an economic relationship between the hedging instrument and the hedged item, credit risk does not dominate the value changes that result from the economic relationship, and the hedging ratio in the hedging relationship reflects the actual quantity of the hedging instruments and the hedged item. Further details on qualifying criteria are included in Note 18 "Derivative assets and derivative liabilities" and Note 30 "Information on financial risks".

When derivative financial instruments qualify for hedge accounting, the following accounting treatment applies:

- *fair value hedges* – where a derivative financial instrument is designated as a hedge of the exposure to changes in fair value of a recognised asset or liability that is attributable to a particular risk and could affect profit or loss, the gain or loss from remeasuring the hedging instrument at fair value is recognised in profit or loss. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognised in profit or loss

- *cash flow hedges* – where a derivative financial instrument is designated as a hedge of the exposure to variability in future cash flows of a recognised asset or liability or a highly probable forecasted transaction and could affect profit or loss, the effective portion of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income in the cash flow hedge reserve. The cumulative gain or loss is removed from other comprehensive income and recognised in profit or loss at the same time as the economic effect arising from the hedged item affects income. The gain or loss associated with a hedge or part of a hedge that has become ineffective is recognised in profit or loss immediately. When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss realised to the point of termination remains in other comprehensive income and is recognised in profit or loss at the same time as the underlying transaction occurs. If the hedged transaction is no longer probable, the cumulative unrealised gain or loss held in other comprehensive income is recognised in profit or loss immediately.

If hedge accounting cannot be applied, the gains or losses from the fair value measurement of derivative financial instruments are recognised immediately in profit or loss.

Transfers of financial assets

The Group derecognises financial assets when the contractual rights to the cash flows arising from the assets are no longer held or if it transfers the financial activities, as follows:

- if the Group transfers substantially all the risks and rewards of ownership of the financial asset, it derecognises the financial asset and recognises separately as assets or liabilities any possible rights and obligations created or retained in the transfer
- if the Group retains substantially all the risks and rewards of ownership of the financial asset, it continues to recognise the financial asset
- if the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it determines whether it has retained control of the financial asset. In this case:
 - if the Group has not maintained control, it derecognises the financial asset and recognises separately as assets and liabilities any possible rights and obligations created or retained in the transfer
 - if the Group has retained control, it continues to recognise the financial asset to the extent of its continuing involvement in the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received or receivable for the transfer of the asset is recognised in profit or loss.

Inventories

Inventories of raw materials, semi-finished products and finished goods (including assets leased out under operating lease) are stated at the lower of cost or net realizable value. Cost is determined by the first-in-first-out (FIFO) method. Cost includes the direct costs of materials, labour and indirect costs (variable and fixed). Provision is made for obsolete and slow-moving raw materials, finished goods, spare parts and other supplies based on their expected future use and realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs for sale and distribution.

Assets and liabilities held for sale

Non-current assets are classified as held for sale if their carrying amounts will be principally recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, with the sale expected to be completed within one year from the date of classification, and the non-current asset (or the disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group). When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amounts and fair value less costs to sell.

Employee benefits

Pension plans

The present value of a defined benefit obligation and the related current service cost (and past service cost, where applicable) for defined benefit pension plans are determined on an actuarial basis using the projected unit credit method.

The net defined benefit liability that the Group recognises in the statement of financial position represents the present value of the defined benefit obligation reduced by the fair value of any plan assets (deficit). In case of a surplus, a net defined benefit asset is recognised at the lower of the surplus and the asset ceiling.

Remeasurements of the net defined benefit liability/asset (that comprise: a) actuarial gains and losses, b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability/asset, and c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/asset) are recognised directly in other comprehensive income without reclassification to profit or loss in subsequent years.

Past service cost resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction in the number of employees covered by a plan) and gain or loss on settlements (a transaction that eliminates all further legal or constructive obligations for part or all of the benefits) are recognised in profit or loss in the period in which they occur (or, in case of past service costs, when the entity recognises related restructuring costs or termination benefits, if earlier).

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset and is recognised as Net financial income/ (expenses) in profit or loss. Current service cost and all other costs and income arising from the measurement of pension plan provisions are allocated to costs by function in profit or loss.

Post-employment plans other than pensions

The Group provides other post-employment defined benefits. The method of accounting and the frequency of valuations are similar to those used for defined benefit pension plans.

Defined contribution plans

Costs arising from defined contribution plans are recognised as an expense in profit or loss as incurred.

Share-based compensation plans

The Group provides additional benefits to the key executive officers and select employees through equity compensation plans (stock grants). In accordance with IFRS 2 – *Share-based Payment*, these plans represent a component of recipient remuneration. The compensation expense, corresponding to the fair value of the instruments at the grant date, is recognised in profit or loss on a straight-line basis over the requisite service period for each separately vesting portion of an award, with the offsetting credit recognised directly in equity. Any subsequent changes to fair value do not have any effect on the initial measurement.

Provisions

The Group records provisions when it has an obligation, legal or constructive, to a third party, as a result from a past event, when it is probable that an outflow of Group resources will be required to satisfy the obligation and when a reliable estimate of the amount can be made.

Changes in estimates are reflected in profit or loss in the period in which the change occurs.

Revenue recognition

Revenue is recognised when control of the vehicles, services or parts has been transferred and the Group's performance obligations to the customers have been satisfied. Revenue is measured as the amount of consideration the Group expects to receive in exchange for transferring goods or providing services.

The timing of when the Group transfers the goods or services to the customer may differ from the timing of the customer's payment.

Revenues are stated net of discounts, allowances, settlement discounts and rebates, as well as costs for sales incentive programs, which are determined on the basis of historical costs, country by country, and charged against profit for the period in which the corresponding sales are recognised.

The Group also enters into contracts with multiple performance obligations. For these contracts, the Group allocates revenue from the transaction price to the distinct goods and services in the contract on a relative standalone selling price basis. To the extent the Group sells the goods or services separately in the same market, the standalone selling price is the observable price at which the Group sells the goods or services separately. For all other goods or services, the Group estimates the standalone selling price considering all information, reasonably available (including market conditions, entity-specific factors and information about the customer or class of customer).

Sales of goods

The Group has determined that the customers from the sale of vehicles and parts are generally dealers, distributors and retail customers.

Transfer of control, and thus related revenue recognition, generally corresponds to when the vehicles and parts are made available to the customer. Therefore, the Group recognises revenue at a point in time, when control is transferred to the customer at a sale price that the Group expects to receive.

For all sales, no significant uncertainty exists surrounding the purchaser's obligation to pay for vehicles and parts. The Group records appropriate allowance for credit losses and anticipated returns as required. Fixed payment schedules exist for all sales, but payment terms vary by geographic market and product line.

The cost of incentives, if any, are estimated at the inception of a contract at the amount that is expected to be paid and is recognised as a reduction to revenue at the time of the sale. If a vehicle contract transaction has multiple performance obligations, the cost of incentives is allocated entirely to vehicle as the intent of the incentives is to encourage sales of vehicles. If the estimate of the incentive changes following the sale to the customer, the change in estimate is recognised as an adjustment to revenue in the period of the change. Iveco Group grants sales incentives to support sales of its products to retail customers. At the later of the time of sale or the time an incentive is announced to dealers, Iveco Group records the estimated impact of sales allowances in the form of dealer and customer incentives as a reduction of revenue. Subsequent adjustments to sales incentive programs related to products/vehicles previously sold are recognised as an adjustment to revenues in the period the adjustment is determinable. The determination of sales allowances requires management to make estimates based upon historical data, estimated future market demand for products, field inventory levels, announced incentive programs, competitive pricing and interest rates, among other things.

With reference to the sales to dealers accompanied by “floor plan” agreements under which the Group offers wholesale financing including “interest-free” financing for a specified period of time (which also vary by geographic market and product line), two separate performance obligations exist. The first performance obligation consists of the sale of the vehicle from Industrial Activities to the dealer. Concurrent with the sale of the vehicle, Industrial Activities offers to the dealer wholesale financing through loans extended by Financial Services. Industrial Activities compensates Financial Services for the cost of the interest-free period. This cost has been determined to represent a cash sale incentive on the initial sale of the good, and therefore it should be recognised upfront as a reduction of net sales of Industrial Activities. The second performance obligation consists of a credit facility extended by Financial Services to the dealer. The remuneration for this performance obligation is represented by the compensation received from Industrial Activities for the period of the interest-free financing and by the interest charged to dealer for the remaining period. This remuneration is recognised by Financial Services over the period of the outstanding exposure.

For parts sales, when the Group provides its customers with a right to return a transferred product, revenue and corresponding cost of sales are recognised for parts that are not expected to be returned. The expected returns are estimated based on an analysis of historical experience. The portion of revenue (and corresponding cost of sales) related to the parts that are expected to be returned is recognised at the end of the return period. The amount received or receivable that is expected to be returned is recognised as a refund liability, representing the obligation to return the customer’s consideration. Furthermore, at the time of the initial sale, Iveco Group recognises a return asset for the right to recover the goods returned by the customer. This asset is initially measured at the former carrying amount of the inventory. At each reporting date, both the refund liability and the return asset are remeasured to record for any revisions to the expected level of returns, as well as any decreases in the value of the returned products.

Rendering of services

Revenues from services provided are primarily comprised of extended warranties and maintenance and repair services and are recognised over the contract period when the costs are incurred, that is when the claims are charged by the dealer.

Amounts invoiced to customers for which Iveco Group receives consideration before the performance is satisfied are recognised as contract liability. These services are either separately-priced or included in the selling price of the vehicle. In the second case, revenue for the services is allocated based on the estimated stand-alone selling price. In the event that the costs expected to be incurred to satisfy the remaining performance obligations exceed the transaction price, an estimated contract loss is recognised.

Shipping and other transportation activities performed as an agent are recognised on a net basis, which is netting the related freight cost against the freight revenue.

Rents and other income on assets sold with a buy-back commitment

Truck and Bus Business Units enters into transactions for the sale of vehicles to some customers with an obligation to repurchase (“buy-back commitment”) the vehicles at the end of a period (“buy-back period”) at the customer’s request. For these types of arrangements, at inception, Iveco Group assesses whether a significant economic incentive exists for the customer to exercise the option.

If Iveco Group determines that a significant economic incentive exists for the customer to exercise the buy-back option, the transaction is accounted for as an operating lease. In such case, vehicles are accounted for as Property, plant and equipment because the agreements typically have a long-term buy-back period. The difference between the carrying value (corresponding to the manufacturing cost) and the estimated resale value (net of refurbishing costs) at the end of the buy-back period is depreciated on a straight-line basis over the same period. The initial sale price received is recognised in “Other liabilities” and is comprised of the repurchase value of the vehicle, and the rents to be recognised in the future recorded as contract liability. These rents are determined at the inception of the contract as the difference between the initial sale price and the repurchase price and are recognised as revenue on a straight-line basis over the term of the agreement. At the end of the agreement term, upon exercise of the option, the used vehicles are reclassified from Property, plant and equipment to Inventories. The proceeds from the sale of such vehicles are recognised as Revenues.

If Iveco Group determines that a significant economic incentive does not exist for the customer to exercise the buy-back option, the transaction is treated as a sale with a variable consideration whose variable component is the buy-back provision accrual. The buy-back provision accrual is the difference between the repurchase price and the estimated market value of the used vehicle at the end of the buy-back period and is recorded only when the repurchase price is greater than the estimated market value of the used vehicle. The buy-back provision accrual is estimated and recognised as a reduction of revenues at the time of the sale. Any subsequent change following such periodic reassessment is recognised as a reduction of revenues at that time.

Finance and interest income

Finance and interest income on retail and other notes receivables and finance leases is recorded using the effective yield method. Deferred costs on the origination of financing receivables are recognised as a reduction in finance revenue over the expected lives of the receivables using the effective yield method. When a financial asset becomes credit-impaired and is, therefore, regarded as "Stage 3", Iveco Group calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit-impaired, Iveco Group reverts to calculating interest income on a gross basis. Receivables are considered past due if the required principal and interest payments have not been received as of the date such payments were due. Delinquency is reported on receivables greater than 30 days past due. Charge-offs of principal amounts of receivables outstanding are deducted from the allowance at the point when it is determined to be probable that all amounts due will not be collected.

Rents and other income on operating leases

Income from operating leases is recognised over the term of the lease on a straight-line basis.

Cost of sales

Cost of sales comprises the cost of manufacturing products and the acquisition cost of purchased merchandise which has been sold. It includes all directly attributable material and production costs and all production overheads. These include the depreciation of property, plant and equipment and the amortisation of intangible assets relating to production and write-downs of inventories. Cost of sales also includes freight and insurance costs relating to deliveries to dealers and agency fees in the case of direct sales.

Cost of sales also includes provisions made to cover the estimated cost of product warranties at the time of sale to dealer networks or to the end customer.

Expenses which are directly attributable to the Financial Services business, including the interest expense related to the financing of Financial Services business as a whole and charges for risk provisions and write-downs, are reported in cost of sales.

Research and development costs

This item includes research costs, development costs not eligible for capitalization and the amortisation of development costs recognised as assets in accordance with IAS 38.

Government grants

Government grants are recognised in the financial statements when there is reasonable assurance that the company concerned will comply with the conditions for receiving such grants and that the grants themselves will be received. Government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to offset.

The benefit of a government loan at a below-market rate of interest is treated as a government grant. The benefit of the below-market rate of interest is measured as the difference between the initial carrying amount of the loan (fair value plus transaction costs) and the proceeds received, and is accounted for in accordance with the policies already used for the recognition of government grants.

Income taxes

Income taxes include all taxes based upon the taxable profits of the Group. Taxes on income are recognised in profit or loss except to the extent they relate to items recognised directly in equity or in other comprehensive income, in which case the related tax effects are recognised directly in equity or in other comprehensive income.

Provisions for income taxes arising on the future distribution of a subsidiary's undistributed profits are only made when there is a current intention to distribute such profits.

Deferred taxes are provided using the full liability method. They are calculated on all temporary differences between the tax bases of assets or liabilities and the corresponding carrying amounts in the Consolidated Financial Statements, except for those arising from non-tax-deductible goodwill and investments in subsidiaries where it is possible to control the reversal of the basis differences and reversal will not take place in the foreseeable future.

Deferred tax assets relating to the carry-forward of unused tax losses and tax credits, as well as those arising from temporary differences, are recognised to the extent it is probable future profits will be available against which they can be utilised. Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and where there is a legally enforceable right of offset. Deferred tax assets and liabilities are measured at the enacted or substantively enacted tax rates of the relevant tax jurisdictions that are expected to apply to taxable income during the period or periods in which the temporary differences reverse. The Group recognises tax liabilities for uncertain tax treatments when tax risks arising from positions taken by the Group are considered probable, assuming the tax authorities have full knowledge of all relevant information when making their examinations. In doing so, the Group evaluates whether to consider each uncertain tax treatment separately or jointly consider multiple uncertain tax treatments, using the approach that better predicts the resolution of the uncertainty. The liabilities recognised correspond to the amounts expected to be paid. Other taxes not based on taxable profits, such as property taxes and taxes on capital, are included in operating expenses.

Dividends

Dividends payable by the Group are reported as a change in equity in the period in which they are approved by the Company's shareholders at the Annual General Meeting of Shareholders (AGM).

Earnings per share

Basic earnings per share are calculated by dividing the Profit/(loss) attributable to owners of the parent by the weighted average number of Common Shares outstanding during the year. Special voting shares are not included in the earnings per share calculation as they are not eligible for dividends and have only limited economic rights. For diluted earnings per share, the weighted average number of Common Shares outstanding is adjusted assuming conversion of dilutive potential Common Shares.

Use of estimates

These Consolidated Financial Statements have been prepared in accordance with EU-IFRS which require Iveco Group to make judgments, estimates and assumptions affecting the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of income and expenses. The estimates and related assumptions are based on available information at the date of preparation of the financial statements, on historical experience and other relevant factors. Actual results may differ from the estimates.

Estimates and assumptions are reviewed periodically, and the effects of any changes are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no key sources of estimation uncertainty and no critical judgements.

The following are the main judgments and assumptions concerning the future that Iveco Group has made in the process of applying its accounting policies to prepare its Consolidated Financial Statements.

Allowance for doubtful accounts

The allowance for doubtful accounts for trade receivables and contract assets reflects Iveco Group's estimate of expected lifetime credit losses, and it is measured at an amount equal to the present value of the cash shortfalls over the expected life of the financial asset.

The allowance for doubtful accounts for receivables from financing activities reflects management's estimate of forward-looking expected credit losses (ECL) in the wholesale and retail credit portfolio. This requires considerable judgement about how changes in economic factors affect ECLs, which is determined on a probability-weighted basis. The ECL model applies to financial assets accounted for at amortized cost and at fair value through other comprehensive income, lease receivables, and certain loan commitments and financial guarantee contracts. The loss allowances will be measured on either of the following bases:

- 12 months ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

See Note 17 "Current receivables and Other current financial assets" for additional details on the calculation of allowance for credit losses.

Allowance for obsolete and slow-moving inventory

The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation could cause a further deterioration in conditions in the used vehicle market compared to that taken into consideration in calculating the allowances recognised in the financial statements.

Recoverability of non-current assets

Non-current assets include property, plant and equipment, intangible assets, investments and other non-current financial assets. The Group reviews the carrying value of non-current assets held and used and that of assets to be disposed of when events and circumstances warrant such a review.

The analysis of the recoverable amount of non-current assets is usually performed using estimates of future expected cash flows from the use or disposal of the asset and an appropriate discount rate in order to calculate present value. If the carrying amount is deemed to be impaired, the Group recognises an impairment loss for the amount by which the carrying amount of the asset exceeds its estimated recoverable amount from use or disposal determined by reference to the cash flows included in its most recent business forecasts.

In view of the present economic and financial situation, the Group made the following considerations in respect of its future prospects:

- when carrying out impairment testing of tangible and intangible assets, the Group took into account its expected performance in the upcoming years. Iveco Group extended such projections for subsequent years to appropriately cover the period of analysis

- should the assumptions underlying the forecast deteriorate further, the following is noted: the Group's tangible and intangible assets with a finite useful life (mostly development costs) relate to models or products with high technological content in line with the latest environmental laws and regulations, which consequently makes them competitive in the current economic environment, especially in the more mature economies in which particular attention is placed on the eco-sustainability of those types of products. Consequently, despite the fact that the capital goods sector is one of the markets which could be most affected by a potential crisis in the immediate term, management considers that it is highly probable that the life cycle of these products can be lengthened to extend over the period of time involved in a slower economic recovery, allowing the Group to achieve sufficient cash flows to cover the investments, although over a longer period of time.

Residual values of assets leased out under operating lease arrangements or sold with a buy-back commitment

Iveco Group records assets rented to customers or leased to them under operating lease as tangible assets. Furthermore, new vehicle sales with a buy-back commitment are not recognised as sales at the time of delivery but are accounted for as operating lease if it is probable that the vehicle will be bought back. Income from such operating lease is recognised on a straight-line basis over the term of the lease. Depreciation expense for assets subject to operating lease is recognised on a straight-line basis over the lease term in amounts necessary to reduce the cost of an asset to its estimated residual value at the end of the lease term. The estimated residual value of leased assets is calculated at the lease commencement date on the basis of published industry information and historical experience and are reviewed quarterly. Realization of the residual values is dependent on Iveco Group's future ability to market the assets under the then-prevailing market conditions. The Group continually evaluates whether events and circumstances have occurred which impact the estimated residual values of the assets on operating lease. The used vehicle market was carefully monitored to ensure that write-downs were properly determined. However, it cannot be excluded that additional write-downs may be required if market conditions should deteriorate further.

Sales allowances

Iveco Group grants sales incentives to support sales of its products to retail customers. At the later of the time of sale or the time an incentive is announced to dealers, Iveco Group records the estimated impact of sales allowances in the form of dealer and customer incentives as a reduction of revenue. The expense for new programs is accrued at the inception of the program. The amounts of incentives to be paid are estimated. The determination of sales allowances requires management to make estimates based upon historical data, estimated future market demand for products, field inventory levels, announced incentive programs, competitive pricing and interest rates, among other things.

Product warranties

Iveco Group makes provisions for estimated expenses related to product warranties at the time products are sold. Management establishes these estimates based on historical information on the nature, frequency and average cost of warranty claims. The Group seeks to improve vehicle quality and minimize warranty expenses arising from claims. Warranty costs may differ from those estimated if actual claim rates are higher or lower than historical rates.

Pension and other post-employment benefits

Group companies sponsor pension and other post-employment benefits in various countries, mainly in the United Kingdom, Germany, Italy, and Switzerland.

Employee benefit liabilities, related assets, costs and net interest connected with them are measured on an actuarial basis which requires the use of estimates and assumptions to determine the net defined benefit liability/asset for the Group. The actuarial method takes into consideration parameters of a financial nature such as the discount rate and the rate of salary increases and takes into consideration the likelihood of potential future events by using demographic parameters such as mortality rates and dismissal or retirement rates. The discount rates selected are based on yields or yield curves of high-quality corporate bonds in the relevant market. Trends in healthcare costs are developed on the basis of historical experience, the near-term outlook for costs and likely long-term trends. Rates of salary increases reflect the Group's long-term actual expectations in the reference market and inflation trends. Changes in any of these assumptions may have an effect on future contributions to the plans.

The effects resulting from revising the estimates for the above parameters ("re-measurements") are recognised directly in other comprehensive income without reclassification to profit or loss in subsequent years: see "Employee benefits" section above for further details.

Future changes in the yields of corporate bonds, other actuarial assumptions referred to above and returns on plan assets may impact the net liability/asset.

Recognition of deferred tax assets

At 31 December 2025, Iveco Group had net deferred tax assets, including tax loss carry forwards, of €758 million, of which €147 million are not recognised in the financial statements. The corresponding totals at 31 December 2024 were €895 million and €169 million. Management has recognised deferred tax assets it believes are probable to be recovered considering amounts from budgets and plans consistent with those used for other purposes within Iveco Group, for example impairment testing, as discussed in the paragraph "Recoverability of non-current assets" above. Iveco Group believes the amount of recognised deferred tax assets is appropriate, despite the risk of actual future results potentially being less than results included in these forecasts, considering many of the recognised net deferred tax assets relate to temporary differences and tax losses which, to a significant extent, may be recovered over an extended time period, but do not expire based on currently enacted tax law.

As in all financial reporting periods, Iveco Group assessed the realizability of its various deferred tax assets, which related to multiple tax jurisdictions in all regions of the world. Basically, considering all the jurisdictions in which Iveco Group operates, the only change in assessment occurred with respect to the recognition of deferred tax assets in Germany and it is primarily attributable to the sale of Fire Fighting business, which improved future scenario in terms of tax profitability. In respect to all other losses accumulated by Group in prior periods, they were largely driven by non-recurring events that impacted taxable income in the near-term, substantially all of Iveco Group's deferred tax assets have no expiry date. Further, Iveco Group has a history of producing pre-tax losses in the bottom-end of economic cycles followed by generating pre-tax profits during ensuing periods of economic expansion such that there is little history of its tax attributes expiring unutilised. Given the uncertainty on evolution of certain macroeconomic dynamics, however, it is possible assessment changes could occur within the next twelve months, with those changes potentially having an impact on Iveco Group's results of operations.

Contingent liabilities

Iveco Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against Iveco Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed. See Note 27 "Commitments and contingencies" for additional details.

Climate related matters

The Company has established specific functions and structures within its respective business units to monitor the relevant emerging policies and regulatory developments at local and global level (especially in Europe, where regulatory pressure is greater). The resulting analyses are incorporated into the Company's strategy to ensure full compliance with applicable laws. The shifts in consumer preferences and demand towards sustainable transport solutions, driven by both an increase in climate-related awareness and more stringent regulations, may result in potential risks for manufacturers that must adapt to the evolving market. To counter this, Iveco Group applies these shifts to the development of its product portfolio to steer R&D focus towards sustainable technologies (e.g., biofuels, electrified solutions and hydrogen) and ensure the resilience of its business model. In particular, in 2025, R&D investments mainly focused on zero-emission vehicles, electrification, multi-fuel energy solutions, and digitalization. To ensure the timely delivery of its strategy, the Company has established specific targets linked to the environmental performance of its manufacturing processes, logistics, and product portfolio.

Based on the analysis of climate-related risks and opportunities, Iveco Group defined a decarbonization strategy, which in turn has been incorporated within, and regularly influences, the Group's Strategic Business Plan. To further address the potential impacts of climate change, Iveco Group has implemented relevant projects and a number of other specific climate-related topics and has defined long-term strategic targets that aim to reduce the CO₂ emissions along the entire value chain (e.g., in manufacturing plants, in logistics processes, during the use of sold products).

There has been increasing interest in how climate change will impact the Group's business. Iveco Group recognises the importance of climate change risk and promotes a responsible use of resources and a reduction of the environmental impact of production to mitigate climate change. In this context, Iveco Group has adopted an environmental policy that applies to all Group locations and divisions and has set up a structure dedicated to control environmental pollution, waste, and water disposal as well as emission reduction.

The Group considers climate-related matters in estimates and assumptions, assessing the possible impacts due to both physical and transitional risks. The Group is closely monitoring relevant changes and developments, such as new climate-related legislation, even though climate-related risks might not currently have a significant impact on measurement. In particular, considering the financial statements information are presented through historical values which, by their nature, do not fully capture future events, all assumptions and estimates underlying the preparation of the following items, identified as most directly impacted by climate-related matters, were subject to an analysis in order to identify and address the new uncertainties related to climate changes which could affect the business:

- *going concern assessment*: the Group's assessment is that no material uncertainties exist about its ability to continue as a going concern, considering the uncertainties that may arise from climate-related factors related to introduction of legislation that could directly affect the Group's business model, or giving rise to increased compliance costs
- *useful lives of tangible and intangible assets*: the Group regularly reviews the expected useful lives of tangible and intangible assets, including capitalised development costs, considering in this assessment also the climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets. The analysis performed did not result in any adjustments of the useful lives in the current year. See sections "Accounting policies – Intangible assets; Property, plant and equipment"; and "Use of estimates - Recoverability of non-current assets" of these Notes for further details
- *impairment of non-current assets*: the Group reviews the carrying value of non-current assets when required by events and circumstances. For goodwill and intangible assets with indefinite useful lives such analysis is carried out at least annually. In assessing the recoverable amount of non-current assets, the Group also considered the impact of climate change risk on future cash flows. No financial impacts to the current year impairment assessment were identified. See section "Use of estimates - Recoverability of non-current assets" and Note 12 "Intangible assets" of these Notes for further details

- *provisions*: the Group assessed the impact of climate-related matters on provisions, for instance, additional levies or penalties related to environmental requirements, contracts that may become onerous, or restructurings to achieve climate-related targets. This assessment did not result in any further provisions to reflect in the Consolidated Financial Statements. See Note 23 “Other provisions” and Note 27 “Commitments and contingencies” for further details.

Furthermore, the Group provides additional benefits to key executive officers and select employees through equity incentive plans by means of performance awards (“PSUs”) and non-performance awards (“RSUs”). The PSUs vest subject to achievement of Company performance goals for the performance period. One of the performance metrics foreseen in the equity incentive plan (2023-2025 LTIP Awards, 2024-2026 LTIP Awards and 2025-2027 LTIP Awards) is the CO₂ emissions reduction. This could impact the future amount of the recognition of share-based payment expense in the income statement. See Note 21 “Equity” for further details on the Group share-based compensation.

Referring to sustainable finance, in November 2023, Iveco Group signed a €450 million term loan facility with the European Investment Bank (the “EIB”) with an 8-year amortisation profile, which represented the first tranche of the €500 million total approved by the EIB. In July 2024, the second and last €50 million tranche has been executed with full drawing in October 2024. The resources made available by the EIB will enable Iveco Group to develop innovative technologies and architectures in the field of electric propulsion and to increase efficiency, safety, driving comfort and productivity by further developing solutions for autonomous driving, digitalisation and vehicle connectivity. See Note 24 “Debt” for further details.

New standards and amendments effective from 1 January 2025

- On 15 August 2023, the IASB issued the *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*, clarifying how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as requiring an entity to provide the disclosure that enables to understand the impact of a currency not being exchangeable. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. These amendments had no impact on these Consolidated Financial Statements.

Accounting standards, amendments and interpretations not yet applicable and not early adopted by the Group

The main accounting standards, amendments, and interpretations not yet applicable and not early adopted by the Group are the following:

- on 30 May 2024, the IASB issued the *Amendments to the Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 and IFRS 7), to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 - *Financial Instruments*. In particular, these amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, the settlement of liabilities through electronic payment systems and introduce additional disclosure requirements regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. The Group does not expect any material impact from the adoption of these amendments
- on 18 July 2024, the IASB issued *Annual Improvements to IFRS Accounting Standards — Volume 11* which contains amendments to five standards as result of IASB’s annual improvements project. The IASB uses the annual improvements process to make necessary, but non-urgent, amendments to IFRS Accounting Standards that will not be included as part of another major project. The amended standards are: IFRS 1 - *First-time Adoption of International Financial Reporting Standards*, IFRS 7 - *Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7*, IFRS 9 - *Financial Instruments*, IFRS 10 - *Consolidated Financial Statements*, and IAS 7 - *Statement of Cash Flows*. The amendments are effective on or after 1 January 2026 and earlier application is permitted. The Group does not expect any material impact from the adoption of these amendments
- on 18 December 2024, the IASB issued the *Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity*, to clarify the application of the “own-use” requirements for in-scope contracts, permitting hedge accounting if these contracts are used as hedging instruments and adding new disclosure requirements. The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted. The Group does not expect any material impact from the adoption of these amendments
- on 9 April 2024, the IASB issued IFRS 18 - *Presentation and Disclosure in Financial Statements* which replaces IAS 1 - *Presentation of Financial Statements*, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33. IFRS 18 introduces new requirements to the structure of the statement of profit or loss, requires disclosures on management-defined performance measures (MPMs) in the notes to the financial statements, and enhances principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 and the amendments to the other standards are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted. IFRS 18 requires a retrospective application.

Furthermore, at the date of these Consolidated Financial Statements, the European Union has not yet completed its endorsement process for the amendments and improvements, reported below, for which the Group is currently evaluating the impact of the adoption on its Consolidated Financial Statements or disclosures:

- on 9 May 2024, the IASB issued IFRS 19 - *Subsidiaries without Public Accountability: Disclosures*, which permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures better suited to the needs of the users of their financial statements, as well as to keep only one set of accounting records to meet the needs of both their parent company and the users of their financial statements. The standard is effective on or after 1 January 2027 and earlier application is permitted

- on 13 November 2025, the IASB issued the Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency*, which require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index to the foreign operation's comparative figures. The amendments are effective for reporting periods beginning on or after 1 January 2027, with earlier application permitted.

SCOPE OF CONSOLIDATION

The Consolidated Financial Statements of the Group as of 31 December 2025 include the Company and 86 consolidated subsidiaries (of which 12 classified as Discontinued Operations).

At 31 December 2025, excluded from consolidation are 3 subsidiaries that are either dormant or generate a negligible volume of business: their proportion of the Group's assets, liabilities, financial position, and earnings is immaterial. All such subsidiaries are accounted for using the cost method and represent in aggregate less than 0.01 percent of Group revenues, equity and total assets.

A list of the companies included in the scope of the Consolidated Financial Statements is included in Note 35.

BUSINESS COMBINATIONS

No significant business combinations occurred in 2025 and 2024.

DISCONTINUED OPERATIONS

Defence Business

On 30 July 2025, Iveco Group announced the signing of a definitive agreement to sell its Defence business (IDV and ASTRA brands) to Leonardo S.p.A., for an enterprise value of €1.7 billion. The transaction is expected to be complete no later than 31 March 2026. The corporate carve out of the Defence business was completed in 2025 and the required regulatory approval processes are in progress as expected. Furthermore, in the context of the Merger Agreement with Tata Motors, for the event that completion of the sale of the Defence business to Leonardo S.p.A. does not occur prior to or on 31 March 2026, Iveco Group N.V. announced it would have taken all actions necessary to complete its spin-off through a statutory demerger, which would transfer the business into a company, newly incorporated under Dutch law. Therefore, an Extraordinary General Meeting was convened to resolve on 25 March 2026 also upon the demerger, in accordance with the demerger proposal between the Company and IDV Group N.V. dated 11 February 2026, to become effective on the day following the execution of the notarial deed of demerger. The Board of Directors reserved the right to remove this item from the agenda of the Extraordinary General Meeting in case it becomes evident prior to the Extraordinary General Meeting that the sale of the Defence business to Leonardo S.p.A. has been completed or will be completed.

In accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*, as the sale became highly probable in July 2025, the Defence business met the criteria to be classified as a disposal group held for sale; it also met the criteria to be classified as Discontinued Operations. In accordance with applicable accounting standards, the figures in the Income Statement and Statement of Cash Flows for 2024 comparative periods have been recast consistently.

That presentation of the Defence business has resulted in the following:

- the operating results of the Defence business have been excluded from the Group's Continuing Operations and are presented as a single line item "Post-tax profit of Discontinued Operations - Defence Business" inside item "Profit/(Loss) from Discontinued Operations, net of tax" within the Consolidated Income Statement for the years ended 31 December 2025 and 2024 (the latter presented for comparative purposes). In order to present the financial effects of the Discontinued Operations, revenues and expenses arising from intercompany transactions were eliminated except for those revenues and expenses that are considered to continue after the disposal of the Discontinued Operations. However, no profit or loss has been recognised for intercompany transactions within the Consolidated Income Statement
- the assets and liabilities of the Defence business have been classified as Assets held for sale and Liabilities held for sale within the Consolidated Statement of Financial Position at 31 December 2025, while the comparative amounts at 31 December 2024 have not been reclassified
- all cash flows arising from the Defence business have been presented separately in the appropriate items as Cash flows from operating, investing and financing activities, respectively, from Discontinued Operations within the Consolidated Statement of Cash Flows for the years ended 31 December 2025 and 2024 (the latter presented for comparative purposes). These cash flows represent those arising from transactions with third parties.

The following table represents the major classes of assets and liabilities of Defence business classified as Discontinued Operations at 31 December 2025:

<i>(€ million)</i>	At 31 December 2025
Intangible assets and Property, plant and equipment	174
Inventories	722
Trade receivables and other assets	157
Financial receivables	317
Cash and cash equivalents	335
Total assets	1,705
Intercompany eliminations	(484)
Total assets held for sale	1,221
Provisions	173
Debt	161
Trade payables and other liabilities	1,058
Total liabilities	1,392
Intercompany eliminations	(484)
Total liabilities held for sale	908

Details of income statement items included in Discontinued Operations for Defence business, after the eliminations, for the years ended 31 December 2025 and 2024 were as follows:

<i>(€ million)</i>	2025	2024
Net revenues	1,368	1,149
Expenses	(1,209)	(1,059)
EBIT	159	90
Profit/(loss) before taxes	144	71
PROFIT/(LOSS), NET OF TAX	108	49

PROFIT/(LOSS), NET OF TAX ATTRIBUTABLE TO:

Owners of the parent	108	50
Non-controlling interests	—	(1)

In the years ended 31 December 2025 and 2024, Depreciation and amortization for Discontinued Operations amounted to €22 million and €21 million, respectively.

Details of cash flows from/(used in) Discontinued Operations for Defence business for the years ended 31 December 2025 and 2024 were as follows:

<i>(€ million)</i>	2025	2024
Profit/(loss)	108	49
Adjustment to reconcile profit/(loss) to cash flows from/(used in) operating activities from Defence business	51	134
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES FROM DEFENCE BUSINESS	159	183
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES FROM DEFENCE BUSINESS	25	(147)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES FROM DEFENCE BUSINESS	13	(3)

Fire Fighting Business

On 13 March 2024, Iveco Group and Mutares SE & Co. KGaA announced the signing of a definitive agreement for the transfer of ownership of Magirus GmbH and its affiliates performing Fire Fighting business. The transaction was completed on 3 January 2025.

According to IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*, as the sale became highly probable in March 2024, the Fire Fighting business met the criteria to be classified as a disposal group held for sale; it also met the criteria to be classified as Discontinued Operations, according to the assessment made by Iveco Group. For further information on the 2024 presentation of the operating results, assets and liabilities and cash flows of Fire Fighting business as Discontinued Operations, see paragraph "Discontinued Operations - Fire Fighting business" of the Notes to the Consolidated Financial Statements as of 31 December 2024.

According to IFRS 5, when non-current assets and disposal groups are classified as held for sale, they are required to be measured at the lower of their carrying amount and fair value less costs to sell. This measurement treatment resulted in the recognition of a post-tax loss of €144 million (€145 million before tax) in the 2024 Consolidated Income Statement, included in the item "Post-tax loss on the measurement to fair value less costs to sell of Discontinued Operations - Fire Fighting Business" in the Consolidated Income Statement. Included in the same item, in 2025 Iveco Group recorded a €9 million post-closing adjustment loss on the transfer of Fire Fighting business.

COMPOSITION AND PRINCIPAL CHANGES

Unless otherwise stated, 2025 and 2024 income statement data shown in the following Notes refers to Continuing Operations only.

1. Net revenues

The following table summarises Net revenues for the years ended 31 December 2025 and 2024:

(€ million)	2025	2024
Truck	8,873	9,981
Bus	2,948	2,561
Powertrain	3,330	3,546
Eliminations and Other	(2,022)	(2,024)
Total Industrial Activities	13,129	14,064
Financial Services	436	558
Eliminations and Other	(137)	(205)
Total Net revenues	13,428	14,417

Eliminations and Other include the elimination of Financial Services' interest income earned from Industrial Activities.

The following table disaggregates Net revenues by major source for the years ended 31 December 2025 and 2024:

(€ million)	2025	2024
Revenues from:		
Sales of goods	12,216	13,117
Rendering of services and other revenues	647	669
Rents and other income on assets sold with a buy-back commitment	266	278
Revenues from sales of goods and services	13,129	14,064
Finance and interest income	269	325
Rents and other income on operating lease	30	28
Total Net revenues	13,428	14,417

During the years ended 31 December 2025 and 2024, revenues included €462 million and €495 million, respectively, related to the reversal of contract liabilities outstanding at the beginning of each period. See Note 26 "Other liabilities" for additional details on contract liabilities.

As of 31 December 2025, the aggregate amount of the transaction price allocated to remaining performance obligations related to extended warranties/maintenance and repair contracts, and transactions for the sale of vehicles with a buy-back commitment was approximately €2.5 billion (approximately €2.3 billion at 31 December 2024). As of 31 December 2025, Iveco Group expects to recognise revenue on approximately 33% and 80% of the remaining performance obligations over the next 12 and 36 months, respectively (approximately 34% and 81% as of 31 December 2024, respectively), with the remaining recognised thereafter.

2. Cost of sales

Cost of sales amounted to €11,328 million in 2025 and €11,972 million in 2024. Interest and other financial expenses from Financial Services activities included within Cost of sales amounted to €125 million in 2025 and to €148 million in 2024. Amount of inventories recognised as an expense in Cost of sales was €9,795 million and €10,168 million in 2025 and 2024, respectively.

3. Selling, general and administrative costs

Selling, general and administrative costs amounted to €857 million in 2025, €69 million lower than in 2024.

4. Research and development costs

In 2025, Research and development costs of €559 million (€589 million in 2024) comprise all research and development costs not recognised as assets in the year, amounting to €227 million (€318 million in 2024), the amortisation of capitalised development costs of €327 million (€271 million in 2024) and the impairment of capitalized development costs amounting to €5 million (nil in 2024). During 2025, the Group capitalised new development costs of €445 million (€460 million in 2024). The costs in both periods were primarily attributable to spending on engine development associated with emission requirements and continued investment in new products.

5. Result from investments

This item mainly includes Iveco Group's share in the net profit or loss of the investees accounted for using the equity method, as well as any impairment losses, reversal of impairment losses, accruals to the investment provision, and dividend income. In 2025 Result from investments was a gain of €38 million (€18 million in 2024) and included a gain of €12 million from the sale of the majority interest in GATE. See Note 14 "Investments and other non-current financial assets".

6. Restructuring costs

Iveco Group incurred restructuring costs of €10 million and €24 million in 2025 and 2024, respectively.

7. Other income and Other expenses

Other income includes income arising from operations which is not attributable to the sale of goods and services, such as gains on disposals of tangible assets, and amounted to €26 million and €43 million in 2025 and 2024, respectively.

Other expenses consist of miscellaneous costs which cannot be allocated to specific functional areas, and amounted to €202 million and €239 million in 2025 and 2024, respectively. In 2025, Other expenses also included Merger Agreement transactions costs amounting to €22 million incurred in connection with the agreement with Tata Motors. In 2024, Other expenses primarily included €96 million for actions related to EPA/CARB newly-introduced post-sale in field verification program on North American market. In both periods, this item also included legal cost and indirect taxes.

8. Net financial income/(expenses)

The item "Net financial income/(expenses)" is detailed as follows:

<i>(€ million)</i>	2025	2024
Financial income	115	105
Financial expenses	337	297
Net financial income/(expenses)	(222)	(192)

Net financial expenses amounted to €222 million in 2025 compared to €192 million in 2024 which included a positive impact of the Argentinian hyperinflation accounting (no longer applicable in this country starting from 1 January 2025).

Financial income may be analysed as follows:

<i>(€ million)</i>	2025	2024
Interest income from banks	69	89
Net gains from derivative financial instruments	31	—
Other interest and financial income	15	16
Total Financial income	115	105

Financial expenses may be analysed as follows:

<i>(€ million)</i>	2025	2024
Bank interest expenses	51	54
Interest expenses related to lease liabilities	9	10
Commission expenses	3	4
Net foreign exchange losses	105	22
Net losses from derivative financial instruments	—	54
Other interest and financial expenses	169	153
Total Financial expenses	337	297

Capitalised borrowing costs amounted to €21 million and €23 million in 2025 and 2024, respectively.

Other interest and financial expenses include, amongst other, factoring costs.

9. Income tax (expense) benefit

The Company and its subsidiaries have substantial worldwide operations. The Company's subsidiaries incur tax obligations in the jurisdictions in which they operate. The Group's income tax expenses or benefits as reported in its consolidated income statement for the years ended 31 December 2025 and 2024 consist primarily of income tax expenses or benefits related to subsidiaries of the Company.

Income tax (expense) benefit for the years ended 31 December 2025 and 2024 consisted of the following:

<i>(€ million)</i>	2025	2024
Current taxes	(60)	(101)
Deferred taxes	(49)	89
Taxes relating to prior periods	27	(36)
Total Income tax (expense) benefit	(82)	(48)

The Company is incorporated in the Netherlands but is a tax resident of Italy. The reconciliation of the differences between the theoretical income taxes at the parent statutory rate and the total income taxes is presented based on the Italian national statutory corporation tax rate of 24% in force during each of Iveco Group's calendar year reporting periods presented in these Consolidated Financial Statements. A reconciliation of Iveco Group's income tax expense for the years ended 31 December 2025 and 2024 is as follows:

<i>(€ million)</i>	2025	2024
Theoretical Income tax (expense) at the parent statutory rate	(75)	129
Foreign income taxed at different rates	(5)	(5)
Deferred tax assets not recognised and write-down	(25)	(15)
Italian IRAP taxes	(20)	(20)
Taxes relating to prior years	27	(10)
Recognition or utilisation of previously unrecognised deferred tax assets	—	94
Other	16	37
Total Income tax (expense) benefit	(82)	(48)

The effective tax rates for 2025 and 2024 were 25.9% and 8.9%, respectively. The increase of 2025 effective tax rate reflects tax rates applied in the jurisdictions where the Group is present. 2024 effective tax rate was positively affected by the recognition of deferred tax assets in Germany.

At 31 December 2025, undistributed earnings in certain subsidiaries totalled approximately €3.4 billion (€3.4 billion at 31 December 2024) for which no deferred tax liability has been recorded because the remittance of earnings from certain jurisdictions would incur no tax or such earnings are indefinitely reinvested. Iveco Group has determined the amount of unrecognised deferred tax liability relating to the €3.4 billion undistributed earnings is approximately €41 million and related to withholding taxes and incremental local country income taxes in certain jurisdictions. Dividend income in Italy is generally exempt at 95% from income taxes.

The Group recognises in its consolidated statement of financial position within Deferred tax assets, the amount of deferred tax assets less the deferred tax liabilities of the individual consolidated legal entities, where these may be offset.

The components of net deferred tax assets at 31 December 2025 and 2024 are as follows:

<i>(€ million)</i>	At 31 December 2024	Recognised in income statement	Charged to equity	Translation differences and other changes ⁽¹⁾	At 31 December 2025
Deferred tax assets arising from:					
Taxed provisions	614	(73)	—	(39)	502
Inventories	63	(2)	—	(12)	49
Taxed allowances for doubtful accounts	28	3	—	—	31
Provision for employee benefits	25	3	(5)	—	23
Intangible assets	9	—	—	(1)	8
Lease liabilities	18	(1)	—	(1)	16
Fixed assets	22	(6)	—	—	16
Measurement of derivative financial instruments	17	1	(9)	—	9
Other	80	(20)	—	2	62
Total	876	(95)	(14)	(51)	716
Deferred tax liabilities arising from:					
Right-of-use assets	(20)	(1)	—	1	(20)
Inventories	(1)	—	—	—	(1)
Provision from employee benefits	(2)	—	—	—	(2)
Capitalization of development costs	(63)	(5)	—	—	(68)
Other	(80)	(11)	—	2	(89)
Total	(166)	(17)	—	3	(180)
Theoretical tax benefit arising from tax loss carryforwards and tax credits	185	41	—	(4)	222
Adjustments for assets whose recoverability is not probable	(169)	22	—	—	(147)
Total net deferred tax assets	726	(49)	(14)	(52)	611

(1) Translation differences and other changes includes €57 million of deferred tax assets reclassified to assets held for sale.

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Deferred tax assets	644	774
Deferred tax liabilities	(33)	(48)
Net deferred tax assets	611	726

The decrease of €115 million in net deferred tax assets during 2025 was mainly due to the reclassification as assets held for sale of deferred tax assets related to the Defence business (included in Continuing Operations at 31 December 2024) as well as to loss and credit utilization and increasing deferred tax liabilities in certain jurisdictions.

The decision to recognise deferred tax assets is made for each legal entity in the Group by critically assessing whether the conditions exist for the future recoverability of such assets on the basis of actual results, as well as updated strategic business plans and accompanying tax plans. For this reason, the total theoretical future tax benefits arising from deductible temporary differences of €716 million at 31 December 2025 and €876 million at 31 December 2024, and tax loss and credit carryforwards of €222 million at 31 December 2025 and €185 million at 31 December 2024, were reduced by €147 million at 31 December 2025 and €169 million at 31 December 2024.

Net recognised deferred tax assets and tax credits include €165 million at 31 December 2025 (€91 million at 31 December 2024) of tax benefits arising from tax loss carryforwards and tax credits. At 31 December 2025, a further tax benefit of €57 million (€94 million at 31 December 2024) arising from tax loss carryforwards and tax credits has not been recognised.

At 31 December 2025, tax liabilities primarily include uncertain income tax amounts of €19 million (€45 million at 31 December 2024) and other tax payables.

The totals of deductible and taxable temporary differences and accumulated tax losses at 31 December 2025, together with the amounts for which deferred tax assets have not been recognised, analysed by estimated year of reversal or expiry, are as follows:

(€ million)	Total at 31 December 2025	Year of expiry					
		2026	2027	2028	2029	Beyond 2029	Unlimited/ indeterminable
Temporary differences and tax losses:							
Deductible temporary differences	2,978	1,105	633	466	196	325	253
Taxable temporary differences	(623)	(113)	(104)	(73)	(64)	(129)	(140)
Tax losses and tax credits	942	74	71	58	78	409	252
Temporary differences and tax losses for which deferred tax assets have not been recognised	(983)	(322)	(111)	(126)	(13)	(337)	(74)
Temporary differences and tax losses	2,314	744	489	325	197	268	291

Iveco Group files income tax returns in multiple jurisdictions and is subject to examination by taxing authorities throughout the world. Iveco Group has open tax years from 2010 through 2024. Due to the global nature of Iveco Group's business, transfer pricing disputes may arise, and Iveco Group may seek correlative relief through competent authority processes. Further, as various ongoing audits are concluded, or as the applicable statutes of limitations expire, it is possible Iveco Group's amount of unrecognised tax benefits could change during the next twelve months. Iveco Group does not believe the resolution of any outstanding tax examinations will have a material effect on Iveco Group's results of operations, statement of financial position, or cash flows.

Effective from 1 January 2024, Iveco Group falls within the scope of the Pillar Two income taxes provided by Directive 2022/2523, aimed to ensuring a global minimum level of taxation for multinational enterprise groups and large scale domestic groups.

Pillar Two legislation was enacted in Italy by Legislative Decree 209/2023 ("the Legislative Decree") and came into effect from January 2024.

As provided for by paragraph 4.A of IAS 12, in derogation from the provisions of this principle, Iveco Group N.V. applies the exception to recognizing and disclosing information on deferred tax assets and liabilities related to Pillar Two income taxes.

Based on the information available to date, Iveco Group estimates no material impacts in terms of Pillar Two income taxes.

10. Other information by nature of expense

The income statement includes personnel costs for €2,034 million in 2025, of which €1,901 million related to Continuing Operations (€2,173 million in 2024, of which €1,950 million related to Continuing Operations).

Employees are divided into four main categories: Hourly, Salaried, Professional, and Manager. Professional encompasses all individuals in specialised roles. Manager refers to individuals in manager/senior professional roles and above. All categories include both full-time and part-time employees. An analysis of the average number of employees by category is as follows:

	2025		2024	
	Total Group	Continuing Operations	Total Group	Continuing Operations
Manager	2,139	2,005	2,177	2,009
Professional	5,584	5,215	5,610	5,216
Salaried	4,635	4,162	5,023	4,362
Hourly	22,894	21,831	23,244	21,258
Average number of employees	35,252	33,213	36,054	32,845

11. Earnings per share

A reconciliation of basic and diluted earnings/(loss) per share is as follows:

		2025	2024
Basic:			
Profit/(loss) attributable to the owners of the parent	€ million	289	349
Weighted average Common Shares outstanding – basic	million	266	267
Basic earnings/(loss) per Common Share	€	1.08	1.31
Basic:			
Profit/(loss) from Continuing Operations attributable to the owners of the parent	€ million	234	486
Weighted average Common Shares outstanding – basic	million	266	267
Basic earnings/(loss) per Common Share from Continuing Operations	€	0.88	1.82
Basic:			
Profit/(loss) from Discontinued Operations attributable to the owners of the parent	€ million	55	(137)
Weighted average Common Shares outstanding – basic	million	266	267
Basic earnings/(loss) per Common Share from Discontinued Operations	€	0.20	(0.51)
Diluted:			
Profit/(loss) attributable to the owners of the parent	€ million	289	349
Weighted average Common Shares outstanding – basic	million	266	267
Effect of dilutive potential Common Shares (when dilutive):			
Share compensation plans	million	2	4
Weighted average Common Shares outstanding – diluted	million	268	271
Diluted earnings/(loss) per Common Share	€	1.08	1.29
Diluted:			
Profit/(loss) from Continuing Operations attributable to the owners of the parent	€ million	234	486
Weighted average Common Shares outstanding – basic	million	266	267
Effect of dilutive potential Common Shares (when dilutive):			
Share compensation plans	million	2	4
Weighted average Common Shares outstanding – diluted	million	268	271
Diluted earnings/(loss) per Common Share from Continuing Operations	€	0.88	1.79
Diluted:			
Profit/(loss) from Discontinued Operations attributable to the owners of the parent	€ million	55	(137)
Weighted average Common Shares outstanding – basic	million	266	267
Effect of dilutive potential Common Shares (when dilutive):			
Share compensation plans	million	2	—
Weighted average Common Shares outstanding – diluted	million	268	267
Diluted earnings/(loss) per Common Share from Discontinued Operations	€	0.20	(0.51)

Basic earnings/(loss) per Common Share (EPS) is computed by dividing the Profit/(loss) for the period attributable to the owners of the parent by the weighted average number of Common Shares outstanding (after deduction of treasury shares) during the period.

Shares acquired under the buy-back program are included in treasury stock of the Company and, therefore, are deducted from the weighted average number of Common Shares outstanding when calculating earnings per share. For additional information on the buy-back program, see Note 21 "Equity".

Diluted EPS reflects the potential dilution that could occur on the conversion of all dilutive potential Common Shares into Common Shares. Restricted share units and performance share units deriving from the Iveco Group share-based payment awards are considered dilutive potential Common Shares.

For the year ended 31 December 2025, there were no anti-dilutive share grants outstanding. For the year ended 31 December 2024, 0.8 million shares consisting of share grants were outstanding but not included in the calculation of diluted earnings per share as the impact of these shares would have been anti-dilutive.

For additional information on the share-based payment awards, see Note 21 "Equity".

12. Intangible assets

In 2025 and 2024, changes in the carrying amount of Intangible assets were as follows:

<i>(€ million)</i>	Goodwill	Development costs externally acquired	Development costs internally generated	Patents, concessions and licenses	Other intangible assets externally acquired	Advances and intangible assets in progress externally acquired	Total
Gross carrying amount							
Balance at 31 December 2023	88	2,241	2,403	741	104	38	5,615
Additions	—	285	183	34	12	56	570
Translation differences	—	1	(17)	1	(1)	—	(16)
Divestitures and other changes	(3)	(4)	(11)	(16)	6	(11)	(39)
Transfer to assets held for sale	—	(48)	(41)	(4)	(5)	—	(98)
Balance at 31 December 2024	85	2,475	2,517	756	116	83	6,032
Additions	—	280	165	26	12	34	517
Acquisitions	1	—	—	—	—	—	1
Translation differences	—	(3)	(1)	(2)	(1)	—	(7)
Divestitures and other changes	(1)	28	(27)	33	—	(41)	(8)
Transfer to assets held for sale	(19)	(84)	(49)	(25)	(8)	(5)	(190)
Balance at 31 December 2025	66	2,696	2,605	788	119	71	6,345
Accumulated amortisation and impairment losses							
Balance at 31 December 2023	2	1,896	1,207	590	79	—	3,774
Amortisation	—	210	69	47	7	—	333
Translation differences	—	1	(8)	1	(1)	—	(7)
Divestitures and other changes	—	(2)	(10)	(10)	(5)	—	(27)
Transfer to assets held for sale	—	(42)	(33)	(1)	(4)	—	(80)
Balance at 31 December 2024	2	2,063	1,225	627	76	—	3,993
Amortisation	—	246	87	50	9	—	392
Impairment losses	—	—	5	—	—	—	5
Translation differences	—	(2)	—	(2)	(1)	—	(5)
Divestitures and other changes	—	—	—	1	(4)	—	(3)
Transfer to assets held for sale	—	(76)	(43)	(1)	(4)	—	(124)
Balance at 31 December 2025	2	2,231	1,274	675	76	—	4,258
Carrying amount at 31 December 2024	83	412	1,292	129	40	83	2,039
Carrying amount at 31 December 2025	64	465	1,331	113	43	71	2,087

Goodwill and intangible assets with indefinite useful lives

Goodwill is allocated to the Group's cash-generating units identified as the Group's operating segments. As described in section "Introduction" of the Board Report above, until 31 December 2023 Iveco Group presented its Consolidated Financial Statements including three reportable segments, Commercial and Specialty Vehicles, Powertrain and Financial Services. The following table presents the allocation of goodwill across the current reportable segments; comparative data has been represented to conform the current year's presentation:

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Truck	6	5
Bus	46	46
Defence ⁽¹⁾		20
Financial Services	12	12
Goodwill net carrying amount	64	83

(1) Classified as Assets held for sale - Discontinued operations at 31 December 2025

Goodwill impairment test is performed at the cash generating unit level, which corresponds to the operating segment level, comparing the recoverable amount of the cash generating unit to the carrying amount to determine if there is an impairment loss. The results of the impairment tests obtained in 2025 and 2024 confirmed the absence of an impairment loss.

The vast majority of goodwill, representing approximately the 81% of the total, related to Industrial Activities Business Units (Truck and Bus) and, as such, the following discussion relates to the impairment testing performed at year-end for these cash-generating units.

The recoverable amount of Truck and Bus cash-generating units is determined based on the value in use, that is the present value of estimated future cash flows. The calculation of value in use is dependent on several assumptions, primarily estimates of future sales in the discrete future period, and the weighted average cost of capital (discount rate), as well as other assumptions such as gross margins, operating costs, income tax rates, capital expenditures and changes in working capital requirements.

Discount rate assumptions include an assessment of the risk inherent in the future cash flows of the cash-generating unit. The discount rate before taxes selected was 13.4% at 31 December 2025 (at 31 December 2024, a discount rate before taxes of 12.8% was used).

Expected cash flows are developed in conjunction with budgeting and forecasting processes. Iveco Group used 5 years of expected cash flows for each cash-generating unit as the Company believes that this period reflects the underlying market cycle for each business. Furthermore, a terminal value has been included at the end of the projection period in order to reflect the remaining value that each cash-generating unit is expected to generate. The terminal value has been determined by applying enterprise value/EBITDA market multiples derived from comparable publicly-traded companies with similar operating and investment characteristics as the respective cash-generating units.

The results of the impairment test and related sensitivity analysis indicate that a reasonably possible change in key assumptions would not cause the carrying amount of any cash-generating unit to exceed its recoverable amount, however, circumstances and events which could potentially cause further impairment losses are constantly monitored by Iveco Group.

Development costs

The amortisation of development costs and impairment losses are reported in the income statement as Research and development costs.

Development costs are tested for impairment at the cash-generating unit level.

13. Property, plant and equipment

In 2025 and 2024, changes in the carrying amount of Property, plant and equipment were as follows:

<i>(€ million)</i>	Land	Industrial buildings	Plant, machinery and equipment	Right-of-use assets	Assets sold with a buy-back commitment	Other	Total
Gross carrying amount Balance at 31 December 2023	121	1,218	5,533	386	1,983	546	9,787
Additions	—	36	301	83	393	46	859
Translation differences	(1)	(19)	(16)	(3)	(5)	(7)	(51)
Divestitures and other changes	(4)	3	(83)	(63)	(484)	(44)	(675)
Transfer to Assets held for sale	—	(6)	(41)	(12)	—	(3)	(62)
Balance at 31 December 2024	116	1,232	5,694	391	1,887	538	9,858
Additions	4	41	181	52	468	65	811
Translation differences	(2)	(5)	(17)	(2)	—	(5)	(31)
Divestitures and other changes	(3)	37	(3)	(24)	(476)	(72)	(541)
Transfer to Assets held for sale	(3)	(54)	(213)	(11)	—	(35)	(316)
Balance at 31 December 2025	112	1,251	5,642	406	1,879	491	9,781
Accumulated depreciation and impairment losses Balance at 31 December 2023	3	815	4,577	195	685	326	6,601
Depreciation	—	32	228	73	226	18	577
Translation differences	—	(10)	(9)	(1)	(5)	(2)	(27)
Divestitures and other changes	(1)	(5)	(120)	(62)	(198)	(11)	(397)
Transfer to Assets held for sale	—	(3)	(33)	(6)	—	(1)	(43)
Balance at 31 December 2024	2	829	4,643	199	708	330	6,711
Depreciation	—	33	240	73	213	20	579
Impairment losses	—	—	—	—	29	—	29
Translation differences	—	(2)	(15)	(1)	—	(2)	(20)
Divestitures and other changes	(1)	8	(39)	(41)	(260)	(3)	(336)
Transfer to Assets held for sale	—	(35)	(156)	(5)	—	(14)	(210)
Balance at 31 December 2025	1	833	4,673	225	690	331	6,753
Carrying amount at 31 December 2024	114	403	1,051	192	1,179	208	3,147
Carrying amount at 31 December 2025	111	418	969	181	1,189	160	3,028

Other tangible assets also include advances and tangible assets in progress.

In 2025, an impairment loss of €29 million was recognised on Assets sold with a buy-back commitment. The loss was recognised in Cost of sales.

Other changes mainly include the reclassification of the prior year balances for Advances and tangible assets in progress to the appropriate categories when the assets were effectively acquired and put into operation, as well as the reclassification to Inventory of Assets sold with a buy-back commitment (€125 million in 2025 and €147 million in 2024) that are held for sale at the agreement expiry date.

At 31 December 2025, right-of-use assets refer primarily to the following lease contracts: industrial buildings for €117 million (€119 million at 31 December 2024), plant, machinery and equipment for €25 million (€26 million at 31 December 2024), and other assets for €39 million (€47 million at 31 December 2024). For a description of the related lease liabilities, see Note 24 "Debt".

Short-term and low-value leases are not recorded in the statement of financial position; for these leases, Iveco Group recognises a lease expense in the income statement on a straight-line basis over the lease term. In 2025 and 2024, €9 million and €12 million, respectively, were recognised in income statement.

Land and industrial buildings and plant, machinery and equipment pledged as security for debt and other commitments were immaterial at 31 December 2025 and 2024.

Iveco Group had contractual commitments of €99 million (of which €13 million related to Discontinued Operations) and €131 million for the acquisition of property, plant and equipment at 31 December 2025 and 2024, respectively.

14. Investments and other non-current financial assets

(€ million)	At 31 December 2025	At 31 December 2024
Investments accounted for using the equity method	202	171
Equity investments measured at fair value through other comprehensive income	9	10
Other investments	3	3
Total Investments	214	184
Non-current financial receivables and other non-current securities	65	39
Total Investments and other non-current financial assets	279	223

At 31 December 2025 and 2024, no Non-current financial receivables had been pledged as security.

Investments

Changes in Investments in 2025 and 2024 are set out below:

(€ million)	At 31 December 2024	Revaluations / (Write- downs)	Acquisitions and capitalizations	Fair value remeasurements	Translation differences, disposals and other changes	At 31 December 2025
Investments in:						
Joint ventures	131	23	—	—	(13)	141
Associates	40	3	—	—	18	61
Equity investments measured at fair value through other comprehensive income	10	—	—	—	(1)	9
Unconsolidated subsidiaries and other	3	—	—	—	—	3
Total Investments	184	26	—	—	4	214

(€ million)	At 31 December 2023	Revaluations/ (Write-downs)	Acquisitions and capitalizations	Fair value remeasurements	Translation differences, disposals and other changes	At 31 December 2024
Investments in:						
Joint ventures	126	23	—	—	(18)	131
Associates	40	3	—	—	(3)	40
Equity investments measured at fair value through other comprehensive income	15	—	—	(4)	(1)	10
Unconsolidated subsidiaries and other	14	(8)	3	—	(6)	3
Total Investments	195	18	3	(4)	(28)	184

Revaluations and Write-downs mainly include the Group's share of the profit or loss for the year of investments accounted for using the equity method for a gain of €26 million and €26 million in 2025 and 2024, respectively.

In 2025, Other changes for Associates include the addition as a result of the partial disposal of the previously fully-owned subsidiary GATE Mobility B.V. ("GATE"): on 13 May 2025, Iveco Group and DLL (De Lage Landen International B.V.) announced they were entering into an agreement to facilitate the energy transition in Europe through rental solutions for low- to zero-emission commercial vehicles in Europe. The transaction received the required regulatory approvals and closed on 1 October 2025. Under the terms of the agreement, DLL acquired a 51% equity interest in GATE Mobility B.V., formerly a fully owned subsidiary of Iveco Group presented within Financial Services segment, through a reserved capital increase. Following the transaction, Iveco Group retains 49% interest in GATE, which from 1 October 2025 is accounted for under the equity method.

Translation differences, disposals and other changes also included dividends by companies accounted for using the equity method.

At 31 December 2025, equity investments measured at fair value through other comprehensive income primarily include a minor investment, considered strategic in nature.

Investments in joint ventures

Interests in joint ventures are accounted for using the equity method. A summary of investments in joint ventures at 31 December 2025 and 2024 is as follows:

	At 31 December 2025		At 31 December 2024	
	% of interest	(€ million)	% of interest	(€ million)
CIFINS S.p.A.	50.00 %	121	50.00 %	112
Other joint ventures		20		19
Total Investments in joint ventures		141		131

Interests in joint ventures consist of 3 companies at 31 December 2025 and 31 December 2024 and mainly include CIFINS S.p.A., legal entity jointly held by Iveco Group and CNH, which holds 49.9% of CNH Capital Europe S.a.S., a joint venture with the BNP Paribas Group providing financing solutions to customers of both Iveco Group and CNH in several European countries.

At 31 December 2025 and 2024, summarised financial information relating to CIFINS S.p.A., material joint venture of the Group, prepared in accordance with EU-IFRS, is as follows:

(€ million)	At 31 December 2025	At 31 December 2024
Cash and cash equivalents	5	3
Non-current assets	237	220
Current assets	—	1
Total Assets	242	224
Debt	—	—
Other liabilities	—	—
Total Liabilities	—	—
Total Equity	242	224

(€ million)	2025	2024
Result from investments	39	36
Profit/(loss) before taxes	39	36
Income tax (expenses)	(1)	(1)
Profit/(loss)	38	35
Total Other comprehensive income, net of tax	—	—
Total Comprehensive income	38	35

This summarised financial information may be reconciled to the carrying amount of the % interest held in the joint venture as follows:

(€ million)	At 31 December 2025	At 31 December 2024
Total Equity	242	224
Group's interest (%)	50	50
Pro-quota equity	121	112
Adjustments made by using the equity method	—	—
Carrying amount	121	112

Summarised financial information relating to CNH Industrial Capital Europe S.a.S., material associate of the Group held by CIFINS S.p.A., is as follows:

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Non-current assets	—	—
Current assets	5,954	5,838
Total Assets	5,954	5,838
Debt	5,165	5,119
Other liabilities	313	276
Total Liabilities	5,478	5,395
Total Equity	476	443

<i>(€ million)</i>	2025	2024
Net revenues	183	172
Profit/(loss) before taxes	107	102
Profit/(loss)	78	72
Total Other comprehensive income, net of tax	—	—
Total Comprehensive income	78	72

Investments in associates

A summary of investments in associates at 31 December 2025 and 2024 is as follows:

	At 31 December 2025		At 31 December 2024	
	% of interest	(€ million)	% of interest	(€ million)
Transolver Finance Establecimiento Financiero de Credito S.A.	49.00 %	40	49.00 %	40
GATE	49.00 %	21	—	—
Total Investments in associates		61		40

Summarised financial information relating to Transolver Finance Establecimiento Financiero de Credito S.A. and GATE, material associates of the Group, is as follows:

<i>(€ million)</i>	At 31 December 2025		At 31 December 2024	
	Transolver Finance Establecimiento Financiero de Credito S.A.	GATE	Transolver Finance Establecimiento Financiero de Credito S.A.	GATE
Non-current assets	712	17	675	—
Current assets	11	37	19	—
Total Assets	723	54	694	—
Debt	640	2	613	—
Other liabilities	2	10	—	—
Total Liabilities	642	12	613	—
Total Equity	81	42	81	—

(€ million)	2025		2024
	Transolver Finance Establecimiento Financiero de Credito S.A.	GATE	Transolver Finance Establecimiento Financiero de Credito S.A.
Net revenues	18	1	35
Profit/(loss) before taxes	6	(9)	9
Profit/(loss)	6	1	6
Total Other comprehensive income, net of tax	6	(8)	—
Total Comprehensive income	6	(8)	6

This summarised financial information may be reconciled to the carrying amount of the % interest held in the associate as follows:

(€ million)	At 31 December 2025		At 31 December 2024
	Transolver Finance Establecimiento Financiero de Credito S.A.	GATE	Transolver Finance Establecimiento Financiero de Credito S.A.
Total Equity	81	42	81
Group's interest (%)	49.00	49.00	49.00
Pro-quota equity	40	21	40
Adjustments made by using the equity method	—	—	—
Carrying amount	40	21	40

15. Leased assets

This item changed as follows in 2025 and 2024:

(€ million)	At 31 December 2024	Additions	Depreciation	Translation differences, disposals and other changes	At 31 December 2025
Gross carrying amount	190	66	—	—	256
Less: Depreciation and impairment	(97)	—	(35)	(30)	(162)
Net carrying amount of Leased assets	93	66	(35)	(30)	94

(€ million)	At 31 December 2023	Additions	Depreciation	Translation differences, disposals and other changes	At 31 December 2024
Gross carrying amount	138	63	—	(11)	190
Less: Depreciation and impairment	(63)	—	(34)	—	(97)
Net carrying amount of Leased assets	75	63	(34)	(11)	93

Leased assets include vehicles leased to retail customers by the Group's leasing companies.

At 31 December 2025, minimum lease payments receivable for assets under non-cancelable operating leases amount to €108 million (€116 million at 31 December 2024) and fall due as follows:

(€ million)	At 31 December 2025	At 31 December 2024
Less than one year	36	38
One to two years	30	27
Two to three years	23	22
Three to four years	13	17
Four to five years	5	9
More than five years	1	3
Total Undiscounted lease payments	108	116

No leased assets have been pledged as security at 31 December 2025 and 2024.

16. Inventories

At 31 December 2025 and 2024, Inventories consisted of the following:

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Raw materials	602	609
Work-in-progress	561	452
Finished goods	1,346	1,810
Total Inventories	2,509	2,871

The amount of Inventories at 31 December 2025 was €362 million lower than at 31 December 2024, and included €27 million (€25 million at 31 December 2024) of assets which are no longer subject to operating lease arrangements or buy-back commitments and were held for sale.

At 31 December 2025, total Inventories included €1,471 million (€1,240 million at 31 December 2024) of inventories measured at net realizable value (estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale).

There were no inventories pledged as security at 31 December 2025 and 2024.

17. Current receivables and Other current financial assets

A summary of Current receivables and Other current financial assets as of 31 December 2025 and 2024 is as follows:

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Trade receivables	336	405
Receivables from financing activities	4,831	5,185
Current tax receivables	142	133
Other current receivables and financial assets:		
Other current receivables	463	366
Other current financial assets	34	104
Total Other current receivables and financial assets	497	470
Total Current receivables and Other current financial assets	5,806	6,193

An analysis of Current receivables and Other current financial assets by due date is as follows:

<i>(€ million)</i>	At 31 December 2025				At 31 December 2024			
	due within one year	due between one and five years	due beyond five years	Total	due within one year	due between one and five years	due beyond five years	Total
Trade receivables	336	—	—	336	405	—	—	405
Receivables from financing activities	4,793	38	—	4,831	5,128	57	—	5,185
Current tax receivables	139	3	—	142	126	7	—	133
Other current receivables	379	40	44	463	351	12	3	366
Other current financial assets	34	—	—	34	104	—	—	104
Total Current receivables and Other current financial assets	5,681	81	44	5,806	6,114	76	3	6,193

Trade receivables

As of 31 December 2025 and 2024, Iveco Group had trade receivables of €336 million and €405 million, respectively. Trade receivables are shown net of loss allowances of €32 million and €25 million at 31 December 2025 and 2024, respectively. The allowances are determined using the simplified approach as permitted by IFRS 9 for trade receivables, consisting in the use of lifetime expected loss.

Changes in the loss allowances for trade receivables during 2025 and 2024 were as follows:

(€ million)	At 31 December 2025	At 31 December 2024
Opening balance	25	20
Additions	11	4
Write-offs and other changes	(4)	1
Ending balance	32	25

The allowances at 31 December 2025 and 2024 have been determined using the following expected loss rates:

	At 31 December 2025					At 31 December 2024					
	Current	31-60 days past due	61-90 days past due	Greater than 90 days past due	Total	Current	31-60 days past due	61-90 days past due	Greater than 90 days past due	Total	
Expected loss rate (in %)	%	1%	—%	—%	32%	9%	1%	—%	—%	29%	6%
Gross carrying amount	€ million	271	4	5	88	368	320	22	16	72	430
Loss allowance	€ million	(4)	—	—	(28)	(32)	(4)	—	—	(21)	(25)

Trade receivables have significant concentrations of credit risk in Truck and Bus Business Units. There is not a disproportionate concentration of credit risk in any geographic region.

The Industrial Activities businesses sell a significant portion of their trade receivables to Financial Services and provide compensation to Financial Services at approximate market interest rates.

In 2025 and 2024, trade receivables for an amount of €11 million and €3 million, respectively, were written off by Iveco Group.

Charge-offs of principal amounts of trade receivables outstanding are deducted from the allowance at the point when it is estimated that amounts due are deemed uncollectible. Iveco Group continues to engage in collection efforts to attempt to recover the receivables. When recoveries are collected, these are recognised as income.

Receivables from financing activities

A summary of Receivables from financing activities as of 31 December 2025 and 2024 is as follows:

(€ million)	At 31 December 2025	At 31 December 2024
Retail:		
Retail financing	4	26
Finance leases	51	57
Total Retail	55	83
Wholesale:		
Dealer financing	4,703	5,007
Total Wholesale	4,703	5,007
Other	73	95
Total Receivables from financing activities	4,831	5,185

Iveco Group provides and administers financing for retail purchases of new and used vehicles sold through its dealer network. The terms of retail and other notes and finance leases generally range from two to six years, and interest rates vary depending on prevailing market interest rates and incentive programs offered by Industrial Activities.

Wholesale receivables arise primarily from the sale of goods to dealers, distributors and end customers and, to a lesser extent, the financing of dealer operations. Under the standard terms of the wholesale receivable agreements, during the “interest free” period, Financial Services is compensated by Industrial Activities based on market interest rates. After the expiration of any “interest-free” period, interest is charged to dealers on outstanding balances until Iveco Group receives payment in full. The “interest-free” periods are determined based on the type of vehicle sold and the time of year of the sale. Iveco Group evaluates and assesses dealers on an ongoing basis as to their credit worthiness. Iveco Group may be obliged to repurchase the dealer’s vehicle upon cancellation or termination of the dealer’s contract for such causes as change in ownership, closeout of the business, or default. There were no significant losses in 2025 and 2024 relating to the termination of dealer contracts.

Iveco Group assesses and monitors the credit quality of its financing receivables based on whether a receivable is classified as Performing or Non-Performing. Financing receivables are considered past due if the required principal and interest payments have not yet been received as of the date such payments were due. Delinquency is reported on financing receivables greater than 30 days past due. Finance income for non-performing receivables is recognised on a cash basis. Interest accrual is resumed if the receivable becomes contractually current and collections becomes probable.

The ageing of Receivables from financing activities as of 31 December 2025 and 2024 is as follows (receivables are primarily related to Europe region):

At 31 December 2025								
(€ million)	Total Current	31-60 Days Past Due	61-90 Days Past Due	Total Performing	Non-Performing	Total	Loss allowance	Total net of allowance
Total Retail	56	—	—	56	10	66	(11)	55
Total Wholesale	4,605	16	2	4,623	229	4,852	(149)	4,703

At 31 December 2024								
(€ million)	Total Current	31-60 Days Past Due	61-90 Days Past Due	Total Performing	Non-Performing	Total	Loss allowance	Total net of allowance
Total Retail	83	—	—	83	18	101	(18)	83
Total Wholesale	4,912	20	3	4,935	219	5,154	(147)	5,007

Receivables from financing activities have significant concentrations of credit risk in the Truck Business Unit. On a geographic basis, the credit risk concentration is mainly located into the Europe area.

Iveco Group typically retains as collateral a security interest in the vehicles associated with retail notes, wholesale notes and finance leases.

For further information on credit risk for Receivables from financing activities and internal risk grades, see Note 30 “Information on financial risks”, paragraph “Credit risk”.

Loss allowance - Receivables from financing activities

Loss allowance for receivables from financing activities (retail and wholesale) for the years ended 31 December 2025 and 2024 is as follows:

Year ended 31 December 2025									
(€ million)	Retail				Wholesale				Total
	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL		
Opening balance	2	—	16	18	37	2	108	147	
Additions (reversals)	—	—	(1)	(1)	(4)	—	16	12	
Write-offs, net of recoveries	—	—	(6)	(6)	—	—	(10)	(10)	
Ending balance	2	—	9	11	33	2	114	149	
Receivables, net of allowance (ending balance)	54	—	1	55	4,361	229	113	4,703	

At 31 December 2025, the change in loss allowance for the retail portfolio is primarily due to utilization of allowance for write-offs, mainly on one customer in Italy and two in Romania, and the reversal on one Italian customer.

For the wholesale portfolio, the change in loss allowance is mainly due to the accruals related to the increase in individual allowances concentrated on a few customers, partially offset by certain write-offs mainly on three customers in Italy, while the collective allowances decreased due to lower volumes covered.

Year ended 31 December 2024								
	Retail				Wholesale			
	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
<i>(€ million)</i>								
Opening balance	2	14	20	36	38	1	80	119
Additions (reversals)	—	(14)	(2)	(16)	(1)	1	30	30
Write-offs, net of recoveries	—	—	(2)	(2)	—	—	(2)	(2)
Ending balance	2	—	16	18	37	2	108	147
Receivables, net of allowance (ending balance)	81	—	2	83	4,701	200	106	5,007

At 31 December 2024, the change in loss allowance for the retail portfolio was mainly related to the release of stage 2 collective allowances for four large Italian customers upon their upgrade from stage 2 to stage 1. For the wholesale portfolio, the change in loss allowance is mainly due to the increase in individual allowances concentrated on a few customers, while the collective allowances remained flat compared to 31 December 2023.

In all periods, additions to and reversals from loss allowances have been included in cost of sales.

Further information on loss allowance for receivables from financing activities is provided in Note 30 "Information on financial risks", paragraph "Credit risk".

Finance lease receivables mainly relate to vehicles leased out under finance lease arrangements. The interest rate implicit in the lease is determined at the commencement of the lease for the whole lease term. The average interest rate implicit in total finance lease receivables varies depending on prevailing market interest rates.

The item may be analysed as follows, stated gross of an allowance of €57 million at 31 December 2025 (€32 million at 31 December 2024):

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Less than one year	36	38
One to two years	30	27
Two to three years	23	22
Three to four years	13	17
Four to five years	5	8
More than five years	1	3
Total Undiscounted receivables for future minimum lease payments	108	115
Unearned finance income	—	—
Present value of future minimum lease payments	108	115

Other current receivables

At 31 December 2025, Other current receivables mainly consisted of other tax receivables for VAT and other indirect taxes of €335 million (€240 million at 31 December 2024), and receivables from employees of €18 million (€14 million at 31 December 2024).

Other current financial assets

At 31 December 2025 and 2024, Other current financial assets primarily consist of current securities and short-term deposits and investments.

See Note 30 "Information on financial risks" for additional information on the credit risk to which Iveco Group is exposed and the way it is managed by the Group.

Transfers of financial receivables

The Group transfers a number of its financial receivables to securitisation programs or factoring transactions.

A securitisation transaction entails the sale of a portfolio of receivables to a securitisation vehicle. This structured entity finances the purchase of the receivables through asset-backed financing. Asset-backed financing are divided into classes according to their degree of seniority and rating: the most senior classes are placed with investors on the market; the junior class, whose repayment is subordinated to the senior classes, is normally subscribed for by the seller. The residual interest in the receivables retained by the seller is therefore limited to the junior securities it has subscribed for. In accordance with IFRS 10 – *Consolidated Financial Statements*, all securitisation vehicles are included in the scope of consolidation because the subscription of the junior note of the asset-backed securitisation by the seller implies its control in substance over the structured entity.

Furthermore, factoring transactions may be either with recourse or without recourse; without recourse transfers include deferred payment clauses (for example, when the payment by the factor of a minor part of the purchase price is dependent on the total amount collected from the receivables), requiring first loss cover, meaning that the transferor takes priority participation in the losses, or requires a significant exposure to the cash flows arising from the transferred receivables to be retained. These types of transactions do not comply with the requirements of IFRS 9 – *Financial Instruments* for the derecognition of the assets, since the risks and rewards connected with collection are not substantially transferred and, accordingly, the Group continues to recognise the receivables transferred by this means in its Consolidated Statement of Financial Position and recognises a financial liability of the same amount under Asset-backed financing (see Note 24 “Debt”). The gains and losses arising from the transfer of these assets are only recognised when the assets are derecognised.

At 31 December 2025, the carrying amounts of such transferred financial assets not derecognised (constituted entirely of Receivables from financing activities) amounted to €3,019 million (€3,410 million at 31 December 2024) and the related liability amounted to €3,019 million (€3,410 million at 31 December 2024). At 31 December 2025 and 2024, the carrying amount of assets and of the related liabilities were equal to their respective fair values.

Iveco Group has discounted receivables and bills without recourse having due dates beyond 31 December 2025 amounting to €280 million (€325 million at 31 December 2024, with due dates beyond that date), which refer to trade receivables.

18. Derivative assets and Derivative liabilities

These items consist of derivative financial instruments measured at fair value at the balance sheet date.

Iveco Group utilises derivative instruments to mitigate its exposure to interest rate and foreign currency exposures. Derivatives used as hedges are effective at reducing the risk associated with the exposure being hedged and are designated as a hedge at the inception of the derivative contract. Iveco Group does not hold or enter into derivative or other financial instruments for speculative purposes. The credit and market risk related to derivatives is reduced through diversification among various counterparties. Derivative instruments are generally classified as Level 2 in the fair value hierarchy.

The fair value of derivative financial instruments is based on valid market price, if available. The fair value of derivative financial instruments that are not traded in an active market is determined by using valuation techniques, based on observable market data. If all significant inputs required to determine the fair value of an instrument are based on observable market data, the instrument is included in Level 2. The basis for the interest is the zero-coupon-curve in each currency, which is used to calculate the present value of all the estimated future cash flows. For forward exchange contracts the basis is the forward premium based on current spot rate for each currency and future date. The fair value is then discounted based on the observable interest yield curves as per the balance sheet date.

In accordance with IFRS 9 - *Financial Instruments*, derivative financial instruments qualify for hedge accounting only when, at the inception of the hedge, there is formal designation and documentation of the hedging relationship, there is an economic relationship between the hedging instrument and the hedged item, credit risk does not dominate the value changes that result from the economic relationship, and the hedging relationship's hedging ratio reflects the actual quantity of the hedging instrument and the hedged item. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

Further description of the risk management exposures and strategies for interest rate and currency risk is presented in Note 30 “Information on financial risks”, paragraph “Market risk” together with sensitivity analysis assessing the potential impact of changes in interest rates and foreign currencies.

With regard to hedge accounting, Iveco Group continues to monitor significant developments in order to assess the potential future impacts of current macroeconomic and geopolitical issues, energy and material price variability, on the hedging relationships in place and to update its estimates concerning whether forecasted transactions can still be considered highly likely to occur.

Foreign Exchange Derivatives

Iveco Group has entered into foreign exchange forward contracts and swaps in order to manage and preserve the economic value of cash flows in a currency different from the functional currency of the relevant legal entity. Iveco Group conducts its business on a global basis in a wide variety of foreign currencies and hedges foreign currency exposures arising from various receivables, liabilities, and expected inventory purchases and sales. Derivative instruments utilised to hedge the foreign currency risk associated with anticipated inventory purchases and sales in foreign currencies are designated as cash flow hedges. Gains and losses on these instruments are deferred in accumulated other comprehensive income/(loss) and recognised in earnings when the related transaction occurs.

For hedging cash flows in a currency different from the functional currency, the hedge relationship reflects the hedge ratio of 1:1, which means that relationship is characterised by the value of the hedging instrument and the value of the hedged item moving in the opposite direction as a result of the common underlying of hedged risk.

The main sources of hedge ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the foreign exchange derivatives, which is not reflected in the change in the fair value of the hedged cash flow attributable to the change in the exchange rates
- changes in timing of the hedged transaction.

Ineffectiveness related to these hedge relationships is recognised in the Consolidated Income Statement in the line "Financial expenses" and was not significant for all periods presented. The maturity of these instruments does not exceed 24 months and the after-tax gains/(losses) deferred in other comprehensive income/(loss) that will be recognised in net revenues and cost of sales over the next twelve months, assuming foreign exchange rates remain unchanged, is €-4 million. If a derivative instrument is terminated because the hedge relationship is no longer effective or because the hedged item is a forecasted transaction that is no longer determined to be probable, the cumulative amount recorded in accumulated other comprehensive income/(loss) is recognised immediately in earnings. Such amounts were insignificant in all periods presented.

Iveco Group also uses forwards and swaps to hedge assets and liabilities denominated in foreign currencies. Such derivatives are considered economic hedges and not designated as hedging instruments. The changes in the fair values of these instruments are recognised directly in income statement as Financial income or Financial expenses and are expected to offset the foreign exchange gains or losses on the exposures being managed.

All of Iveco Group's foreign exchange derivatives are considered Level 2 as the fair value is calculated using market data input and can be compared to actively traded derivatives.

Interest Rate Derivatives

Iveco Group has entered into interest rate derivatives (swaps) in order to manage interest rate exposures arising in the normal course of business. Interest rate derivatives that have been designated as cash flow hedges are being used by Iveco Group to mitigate the risk of rising interest rates related to existing debt and anticipated issuance of fixed-rate debt in future periods. Gains and losses on these instruments, to the extent that the hedge relationship has been effective, are deferred in other comprehensive income/(loss) and recognised in Financial income or Financial expenses over the period in which Iveco Group recognises interest expense on the related debt. The after-tax gains (losses) deferred in other comprehensive income/(loss) that will be recognised in interest expense over the next twelve months were insignificant.

For hedging interest rate exposures, the hedge relationship reflects the hedge ratio 1:1, which means that relationship is characterised by the value of the hedging instrument and the value of the hedged item that move in the opposite direction as a result of the common underlying of hedged risk.

The main sources of hedge ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flow attributable to the change in the interest rates
- differences in repricing dates between the swaps and the borrowings.

Any ineffectiveness should be recorded in "Financial expenses" in the Consolidated Income Statement. Such amounts were insignificant in all periods presented.

All of Iveco Group's interest rate derivatives outstanding as of 31 December 2025 and 2024 are considered Level 2. The fair market value of these derivatives is calculated using market data input and can be compared to actively traded derivatives.

Financial statement impact of Iveco Group derivatives

The following table summarises the gross impact of changes in the fair value of derivatives recognised in Other comprehensive income and in the income statement during the years ended 31 December 2025 and 2024:

<i>(€ million)</i>	2025	2024
Cash flow hedges		
Recognised in Other comprehensive income (effective portion):		
Foreign exchange derivatives	21	(68)
Interest rate derivatives	—	(2)
Reclassified from Other comprehensive income (effective portion):		
Foreign exchange derivatives – Net revenues	3	—
Foreign exchange derivatives – Cost of sales	(18)	(33)
Foreign exchange derivatives – Net financial income/(expenses)	3	(15)
Not designated as hedges		
Foreign exchange derivatives – Net financial income/(expenses)	28	(39)

The fair values of Iveco Group's derivatives as of 31 December 2025 and 2024 in the Consolidated Statement of Financial Position are recorded as follows:

<i>(€ million)</i>	At 31 December 2025		At 31 December 2024	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Derivatives designated as hedging instruments				
Cash flow hedges:				
Foreign exchange derivatives	1	(3)	12	—
Interest rate derivatives	1	—	—	(2)
Total Cash flow hedges	2	(3)	12	(2)
Total Derivatives designated as hedging instruments	2	(3)	12	(2)
Derivatives not designated as hedging instruments				
Foreign exchange derivatives	12	(18)	9	(59)
Interest rate derivatives	—	—	2	—
Total Derivatives not designated as hedging instruments	12	(18)	11	(59)
Derivative assets/(liabilities)	14	(21)	23	(61)

Derivatives not designated as hedging instruments consist mainly of derivatives (mostly currency-based derivatives) acquired to hedge receivables and payables subject to currency risk and/or interest rate risk which are not formally designated as hedges at Group level. The following table provides, for derivatives designated as hedging instruments, the detail of notional amounts and of the fair value changes used as a basis to calculate hedge ineffectiveness, and for derivative not designated as hedging instruments, the detail of notional amounts:

<i>(€ million)</i>	At 31 December 2025		At 31 December 2024	
	Notional amount	Fair value changes used as a basis to calculate hedge ineffectiveness	Notional amount	Fair value changes used as a basis to calculate hedge ineffectiveness
Derivatives designated as hedging instruments				
Cash flow hedges:				
Foreign exchange derivatives	834	(17)	1,644	(61)
Interest rate derivatives	650	—	650	—
Total Cash flow hedges	1,484	(17)	2,294	(61)
Total Derivatives designated as hedging instruments	1,484	(17)	2,294	(61)
Total Derivatives not designated as hedging instruments	2,282	n/a	1,559	n/a
Total Derivatives	3,766	n/a	3,853	n/a

The following table provides the effects of hedged items designated in cash flow hedging relationships:

(€ million)	At 31 December 2025		At 31 December 2024	
	Cash flow hedge reserve (continuing hedges)	Fair value changes used as a basis to calculate hedge ineffectiveness	Cash flow hedge reserve (continuing hedges)	Fair value changes used as a basis to calculate hedge ineffectiveness
Cash flow hedges:				
Foreign exchange risk	9	(17)	(25)	(61)

The following table provides an analysis by due date of the notional amount of outstanding derivative financial instruments at 31 December 2025 and 2024:

(€ million)	At 31 December 2025			
	due within one year	due between one and five years	due beyond five years	Total
Currency risk	3,201	—	—	3,201
Interest rate risk	69	427	69	565
Total notional amount	3,270	427	69	3,766

(€ million)	At 31 December 2024			
	due within one year	due between one and five years	due beyond five years	Total
Currency risk	3,203	—	—	3,203
Interest rate risk	35	477	138	650
Total notional amount	3,238	477	138	3,853

19. Cash and cash equivalents

Cash and cash equivalents consist of:

(€ million)	At 31 December 2025	At 31 December 2024
Cash at banks	2,502	3,120
Restricted cash	81	96
Money market securities and other cash equivalents	370	297
Total Cash and cash equivalents	2,953	3,513

Amounts shown are readily convertible into cash and are subject to an insignificant risk of changes in value. Restricted cash mainly consists of Central Bank deposits established for regulatory purposes by a subsidiary benefitting from a banking license.

The credit risk associated with Cash and cash equivalents is considered not significant, because it mainly relates to deposits spread across primary national and international financial institutions.

20. Assets and liabilities held for sale

At 31 December 2025 and 2024, assets and liabilities held for sale included the following:

(€ million)	At 31 December 2025		At 31 December 2024	
	Assets held for sale	Liabilities held for sale	Assets held for sale	Liabilities held for sale
Defence business ⁽¹⁾	1,221	908	—	—
Fire Fighting business ⁽¹⁾	—	—	399	263
Other ⁽²⁾	5	—	5	—
Total	1,226	908	404	263

(1) For further information on these assets and liabilities held for sale, see paragraph "Discontinued Operations" above.

(2) In both periods this item included certain buildings.

21. Equity

Share capital

The Articles of Association of Iveco Group N.V. provide for authorised share capital of €8 million, divided into 400 million Common Shares and 400 million Special Voting Shares to be held with associated Common Shares, each having a par value of one euro cent (€0.01). As of 31 December 2025, the Company's share capital was €3,454,589.70, fully paid-in, and consisted of 271,215,400 Common Shares (266,346,803 Common Shares outstanding, net of 4,868,597 Common Shares held in treasury by the Company as described in the following section) and 74,243,570 Special Voting Shares (73,903,096 Special Voting Shares outstanding, net of 340,474 Special Voting Shares surrendered to the Company following the de-registration of the corresponding Qualifying Common Shares from the Loyalty Register and which are held as treasury shares by the Company).

Changes in the composition of the share capital of Iveco Group N.V. during 2025 are as follows:

(number of shares)	Iveco Group N.V. Common Shares issued	Less: Treasury shares	Iveco Group N.V. Common Shares outstanding	Iveco Group N.V. loyalty program Special Voting Shares issued	Less: Treasury shares	Iveco Group N.V. loyalty program Special Voting Shares outstanding	Total Shares issued by Iveco Group N.V.	Less: Treasury shares	Total Iveco Group N.V. outstanding shares
Total Iveco Group N.V. shares at 31 December 2023	271,215,400	(6,001,715)	265,213,685	74,243,570	(70,609)	74,172,961	345,458,970	(6,072,324)	339,386,646
(Purchases)/ Sales of treasury shares	—	(879,907)	(879,907)	—	(571)	(571)	—	(880,478)	(880,478)
Total Iveco Group N.V. shares at 31 December 2024	271,215,400	(6,881,622)	264,333,778	74,243,570	(71,180)	74,172,390	345,458,970	(6,952,802)	338,506,168
(Purchases)/ Sales of treasury shares	—	2,013,025	2,013,025	—	(269,294)	(269,294)	—	1,743,731	1,743,731
Total Iveco Group N.V. shares at 31 December 2025	271,215,400	(4,868,597)	266,346,803	74,243,570	(340,474)	73,903,096	345,458,970	(5,209,071)	340,249,899

During the year ended 31 December 2025:

- 269,294 Special Voting Shares were surrendered to the Company following the de-registration of the corresponding Qualifying Common Shares from the Loyalty Register and net of transfer and allocation of Special Voting Shares in accordance with the Special Voting Shares - Terms and Conditions
- the Company delivered 2,013,025 Common Shares following the vesting of share-based compensation plans. See paragraph below "Share-based compensation" for further discussion.

Policies and processes for managing capital

Pursuant to the Articles of Association, the Company is required to maintain a special capital reserve to be credited against the share premium exclusively for the purpose of facilitating any issuance or cancellation of Special Voting Shares. The Special Voting Shares do not carry any entitlement to the balance of the special capital reserve. The Board of Directors is authorised to resolve upon (i) any distribution out of the special capital reserve to pay up Special Voting Shares or (ii) re-allocation of amounts to credit or debit the special capital reserve against or in favour of the share premium reserve.

The Company is required to maintain a separate dividend reserve for the Special Voting Shares.

From the profits, shown in the annual accounts as adopted, such amounts shall be reserved as the Board of Directors may determine.

The profits remaining thereafter shall first be applied to allocate and add to the Special Voting Shares dividend reserve an amount equal to one percent (1%) of the aggregate nominal amount of all outstanding Special Voting Shares. The calculation of the amount to be allocated and added to the Special Voting Shares dividend reserve shall occur on a time-proportionate basis. If Special Voting Shares are issued during the financial year to which the allocation and addition pertains, then the amount to be allocated and added to the Special Voting Shares dividend reserve in respect of these newly issued Special Voting Shares shall be calculated as from the date on which such Special Voting Shares were issued until the last day of the financial year concerned. Any distribution out of the Special Voting Shares dividend reserve or the partial or full release of such reserve will require a prior proposal from the Board of Directors and a subsequent resolution of the general meeting of holders of Special Voting Shares. The Special Voting Shares shall not carry any other entitlement to the profits.

Any profits remaining thereafter shall be at the disposal of the General Meeting for distribution of dividend on the Common Shares only subject to the provision that the distribution of profits shall be made after the adoption of the annual accounts, from which it appears that the same is permitted.

Subject to the approval of the General Meeting and the Board of Directors having been designated as the body competent to pass a resolution for the issuance of shares in accordance with Article 5 of the Articles of Association, the Board of Directors may decide that a distribution shall be made in the form of shares or that shareholders shall be given the option to receive a distribution either in cash or in the form of shares.

In 2026 the Board of Directors decided to not propose any dividend distribution to the Company's shareholders related to the 2025 financial results.

On 16 April 2025, at the AGM, shareholders of Iveco Group N.V. approved a dividend in cash of €0.33 per outstanding Common Share, as recommended by the Board of Directors. The cash dividend was declared in euro and paid on 24 April 2025 for a total amount of €88 million.

Distributions to shareholders and other persons entitled to distributable profits are allowed to the extent the Company's equity exceeds the sum of the paid-up portion of the share capital and the reserves that must be maintained in accordance with provision of law. No distribution of profits may be made to the Company itself for shares that the Company holds in its own share capital.

The Board of Directors has the power to declare one or more interim dividends, provided that the requirements of the Article 21 paragraph 7 of the Articles of Association are duly observed as evidenced by an interim statement of assets and liabilities as referred to in Article 2:105 paragraph 4 of the Dutch Civil Code and provided further that the policy of the Company on additions to reserves and dividends is duly observed. The provisions of the Article 21 paragraphs 2 and 3 of the Articles of Association shall apply *mutatis mutandis*.

The Board of Directors may determine that dividends or interim dividends, as the case may be, shall be paid, in whole or in part, from the Company's share premium reserve or from any other reserve, provided that payments from reserves may only be made to the shareholders that are entitled to the relevant reserve upon the dissolution of the Company.

Dividends and other distributions of profit shall be made payable in the manner and at such date(s) - within four weeks after declaration thereof - and notice thereof shall be given, as the General Meeting of Shareholders, or in the case of interim dividends, the Board of Directors shall determine, provided, however, that the Board of Directors shall have the right to determine that each payment of annual dividends in respect of shares be deferred for a period not exceeding five consecutive annual periods. Dividends and other distributions of profit, which have not been collected within five years and one day after the same have become payable, shall become the property of the Company.

[Loyalty Voting Program](#)

In order to reward long-term ownership of the Company's Common Shares and promote stability of its shareholder base, the Articles of Association of the Company provide for a loyalty voting program. This has been accomplished through the issuance of Special Voting Shares. For further details, see paragraph "Loyalty Voting Program" of the Governance Statement section.

[Treasury shares](#)

At 31 December 2025, the Company held 4,868,597 Common Shares (at an aggregate cost of €43.5 million) and 340,474 Special Voting Shares in treasury, net of the relevant transfers and allocations respectively under the and in accordance with the Special Voting Shares - Terms and Conditions. During the year ended 31 December 2025, 269,294 Special Voting Shares were surrendered to the Company.

The Annual General Meeting (AGM) held on 16 April 2025 replaced the authorization to repurchase Common Shares in the share capital of the Company that had been granted by the AGM in April 2024 with a new one, according to substantially the same terms. The authorization was for the Board of Directors to decide upon the acquisition of the Company's own Common Shares through purchases on the stock exchange and/or multilateral trading facilities, directly and/or otherwise, for a period of 18 months from 16 April 2025, i.e. up to and including 15 October 2026, in one or more transactions, subject to market and business conditions and in compliance with applicable rules and regulations. It intended, inter alia, to allow the Board to cover the Company's obligations related to the share-based compensation, under existing and/or future equity incentive plans. Neither the authorization granted, nor the subsequent launch by the Board of any share buyback program obligated the Company to buy back any Common Shares. The Board's authority was limited to a maximum of up to 10,000,000 Common Shares with a maximum total allocation to this end of €130 million. With due respect of applicable rules and regulations, purchases were required to take place for a price per Common Share (excluding expenses) no less than its nominal value (minimum price) and no more than 10% above the opening price as shown in the Official Price List of Euronext Milan on the day of acquisition (maximum price).

[Capital reserves](#)

At 31 December 2025 capital reserves amounted to €2,272 million (€2,292 million at 31 December 2024).

[Earnings reserves](#)

Earnings reserves, amounting to €1,201 million at 31 December 2025 (€1,155 million at 31 December 2024), mainly consist of retained earnings and profits attributable to the owners of the parent.

[Other comprehensive income/\(loss\)](#)

Other comprehensive income/(loss) consisted of the following:

<i>(€ million)</i>	2025	2024
Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss:		
Gains/(losses) on the remeasurement of defined benefit plans	39	42
Fair value gain/(loss) on equity investments measured at fair value through other comprehensive income	—	(4)
Items related to Discontinued Operations	—	1
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss (A)	39	39
Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss:		
Gains/(losses) on cash flow hedging instruments arising during the period	21	(70)
(Gains)/losses on cash flow hedging instruments reclassified to profit or loss	12	48
Gains/(losses) on cash flow hedging instruments	33	(22)
Foreign exchange gains/(losses) on translation of foreign operations arising during the period	(49)	(74)
Foreign exchange (gains)/losses on translation of foreign operations reclassified to profit or loss	—	—
Foreign exchange gains/(losses) on translation of foreign operations	(49)	(74)
Items related to Discontinued Operations	(1)	(5)
Total Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss (B)	(17)	(101)
Tax effect (C)	(14)	4
Total Other comprehensive income/(loss), net of tax (A) + (B) + (C)	8	(58)

The income tax effect for each component of Other comprehensive income/(loss) consisted of the following:

<i>(€ million)</i>	2025			2024		
	Before tax amount	Tax (expense)/ benefit	Net-of-tax amount	Before tax amount	Tax (expense)/ benefit	Net-of-tax amount
Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss:						
Gains/(losses) on the remeasurement of defined benefit plans	39	(5)	34	42	(5)	37
Fair value gain/(loss) on equity investments measured at fair value through other comprehensive income	—	—	—	(4)	—	(4)
Items related to Discontinued Operations	—	—	—	1	—	1
Total Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss	39	(5)	34	39	(5)	34
Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss:						
Gains/(losses) on cash flow hedging instruments	33	(9)	24	(22)	9	(13)
Foreign exchange gains/(losses) on translation of foreign operations	(49)	—	(49)	(74)	—	(74)
Items related to Discontinued Operations	(1)	—	(1)	(5)	—	(5)
Total Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss	(17)	(9)	(26)	(101)	9	(92)
Total Other comprehensive income/(loss)	22	(14)	8	(62)	4	(58)

Share-based compensation

In 2025, Iveco Group recognised total share-based compensation expense of €16 million, of which €11 million arising from equity-settled share-based payment awards and €5 million arising from cash-settled share-based payment awards, (€12 million in 2024, including €3 million income, recorded in the second quarter, related to the reversal for forfeitures of certain previously granted share-based awards), and total tax benefit relating to share-based compensation expense of €2 million (€1 million in 2024).

As of 31 December 2025, for the equity-settled share based payment awards, Iveco Group had unrecognised share-based compensation expense related to non-vested awards of €17 million (€18 million at 31 December 2024), based on current assumptions related to the achievement of specified performance objectives, when applicable. Unrecognised share-based compensation expenses will be recognised over a weighted-average period of 1.8 years.

As part of the Demerger, any awards outstanding under the CNH Industrial Equity Incentive Plan ("CNH Industrial EIP") held by directors, officers and other employees vesting in 2022, were accelerated in December 2021 and the related equity incentives were issued by CNH Industrial in CNH Industrial N.V. stock. As a result of the Demerger, remaining outstanding awards vesting in 2023 and 2024 were converted to award on the shares of the entity the participant was employed with post spin. As such, for Iveco Group employees, the underlying stock awards under the CNH Industrial EIP vesting in 2023 and 2024 were converted at the effective date of the Demerger, subject to its terms, to Common Shares of Iveco Group N.V. The conversion of the CNH Industrial EIP included appropriate adjustment mechanisms to ensure that the value of the unvested awards granted to all the beneficiaries under such plan remained unchanged pre and post Demerger for employees in both Iveco Group and CNH Industrial. No incremental cost has been recognised as a consequence of the conversion.

On 25 February 2022, the Board of Directors adopted the Iveco Group N.V. Equity Incentive Plan ("the EIP" or "the Plan"). The EIP relates to the grant of stock-based awards to eligible top performers and key leaders of the Company and its subsidiaries. The EIP is an umbrella programme defining the terms and conditions for any subsequent long term incentive programme.

The Board of Directors also approved a new long-term incentive programme ("LTIP"), tied to the Company's five-year Strategic Business Plan which spans in total over a five-year performance period, 2022 through 2026. Shareholders at the 13 April 2022 AGM voted in favour to allow up to a maximum of 16 million Common Shares which may be issued under the LTIP, of which 4 million (rights to subscribe for) Common Shares are reserved for issuance to the Executive Directors. Furthermore, on 16 April 2025, at the AGM, shareholders of Iveco Group N.V. authorised the assignment of equity awards to the Executive Directors under the Long-Term Incentive Plan 2025-2029.

Under the LTIP, performance share rights ("PSUs") representing the right to receive one Common Share in the capital of the Company, will be awarded to the Chairman and to the Chief Executive Officer. A combination of PSUs and restricted share rights ("RSUs"), each representing the right to receive one Common Share in the capital of the Company, will be awarded to members of the Senior Leadership Team ("SLT") and other key members of the Group. The PSUs will be subject to the achievement of certain performance targets, while the RSUs will be subject only to the participant's continuing service as officer, director or employee of the Company; both PSUs and RSUs are also subject to acceptable individual performance.

As a consequence of the agreements announced on 30 July 2025, the 2023-2025 LTIP Awards will be settled in cash in March 2026 and, for the PSUs, the vested amount will be based on actual performance observed for the entire period of 2023-2025, as originally intended. The cash-settlement payment for PSUs and RSUs will reflect the Company's share price as of 27 February 2026.

The modification occurred to the 2023-2025 LTIP Awards required the change in the accounting treatment from equity-settled to cash-settled share-based payment awards. As a consequence, Iveco Group recognised a liability in the statement of financial position for these awards, amounting to €33 million at 31 December 2025, classified within Provisions for employee benefits, remeasured to fair value at each reporting date, with any movements in fair value being recognised in profit or loss. In addition, the Group recognised €5 million of employer social security contribution expenses.

Furthermore, with reference to the 2024-2026 and 2025-2027 LTIP Awards, upon the successful completion of the Tata Transaction, subject to certain conditions being satisfied, employee rights under the outstanding LTIPs will be settled in cash, with performance conditions being deemed satisfied at-target level performance; gross payment shall be equal to the share price of Iveco Group in the Tata Transaction, adjusted for the Defence Transaction.

For additional details, see section "Remuneration Report" in the Board Report.

Performance Share Units

2021-2023 LTIP Awards from the Demerger

Under the CNH Industrial EIP, 1.9 million nonvested PSUs on CNH Industrial N.V.'s shares related to Iveco Group key executive officers and select employees were outstanding at 31 December 2021. As a result of the Demerger, such nonvested outstanding PSUs were converted to 3.0 million awards on Iveco Group N.V.'s shares.

The PSUs vested on 28 February 2024, based on the achievement of each target of Adjusted diluted EPS and Industrial ROIC (the ratio of Adjusted EBIT (after-tax) over Average Industrial Invested Capital), weighted 50% each, determined independently, and adjusted according to the TSR multiplier. The payout of the two independent metrics ranged from 50% at threshold results to a cap of 200% at or above outstanding results. These metrics were considered performance vesting conditions. The overall achievement factor under the plan terms including the TSR modifier was 183.33%. As a result, 4.8 million shares were assigned, corresponding to 2.6 million awarded PSUs.

2022-2024 LTIP Awards

In February 2022, the Board of Directors approved the equity incentive plan in which employees and executive directors may participate. In May 2022, the Company issued approximately 2 million PSUs to its key executive officers and select employees. The Executive Directors (Former CEO and Chairperson) had only been awarded PSUs. Furthermore, in October 2022, Iveco Group issued 19 thousand PSUs to select employees.

The fair values of the awards were calculated using the Monte Carlo Simulation model. As almost all the awards issued during 2022 were issued on 5 May, the key assumptions utilised to calculate the grant-date fair values for awards issued on this grant date are listed below:

	Key Assumptions for awards issued on 5 May 2022
Grant date stock price (in €)	5.4
Expected Volatility	42 %
Dividend yield	3 %
Risk-free rate	0.47 %

The expected volatility was backed up by the comparator group average due to a limited historic volatility data prior to the grant date. Dividend yield was based on comparison between the management assumption and the external expected dividend yield. The risk-free interest rate was based on the ECB risk-free rate yield curve.

On 30 June 2024, Mr. Marx (Former CEO) left the Group, therefore, approximately 0.5 million PSUs were forfeited.

The PSUs vesting was based on the achievement of each target determined independently related to: (i) 3 years average of the Adjusted EBIT Margin %, weighted 40%; (ii) Relative Total Shareholder Return ("Relative TSR" is the annualised rate of return, reflecting stock price performance, and compared to a pre-selected comparator group), weighted 40% and (iii) CO₂% reduction over the 3 years compared to 2019, weighted 20%. The payout ranged from 50% of target award at threshold, 100% at target achievement and capped at 200% of target award for outstanding performance, and in cases where the Company performance falls between the Threshold, Target, and Outstanding levels, linear interpolation were used to calculate the award. No payout below threshold results. Relative TSR only paid out at or above target (median ranking) and was also capped at 200% of target award for 1st place ranking among the comparator companies.

The PSUs vested on 28 February 2025, after the end of the performance period, based on the overall achievement factor based on the performance period 2022-2024 of 110.8%. As a result, 1.1 million shares were assigned, corresponding to 1 million awarded PSUs.

2023-2025 LTIP Awards

In May 2023, following the same framework of the 2022-2024 LTIP Awards, the Company issued approximately 1.3 million PSUs to its key executive officers and select employees. The Executive Directors (Former CEO and Chairperson) had only been awarded PSUs.

The PSUs vesting was based on the achievement of each target determined independently related to: (i) 3 years average of the Adjusted EBIT Margin %, weighted 40%; (ii) Relative Total Shareholder Return ("Relative TSR" is the annualised rate of return, reflecting stock price performance, and compared to a pre-selected comparator group), weighted 40% and (iii) CO₂% reduction over the 3 years compared to 2019, weighted 20%. The payout ranges from 50% of target award at threshold, 100% at target achievement and capped at 200% of target award for outstanding performance, and in cases where the Company performance falls between the Threshold, Target, and Outstanding levels, linear interpolation were used to calculate the award. No payout below threshold results. Relative TSR only pays out at or above target (median ranking) and is also capped at 200% of target award for 1st place ranking among the comparator companies.

The fair values of the awards were calculated using the Monte Carlo Simulation model. As almost all the awards issued during 2023 were issued on 15 May, the key assumptions utilised to calculate the grant-date fair values for awards issued on this grant date are listed below:

**Key Assumptions for awards issued
on 15 May 2023**

Grant date stock price (in €)	7.33
Expected Volatility	38 %
Dividend yield	3 %
Risk-free rate	2.39 %

The expected volatility is backed up by the comparator group average due to a limited historic volatility data prior to the grant date. Dividend yield was based on comparison between the management assumption and the external expected dividend yield. The risk-free interest rate was based on the ECB risk-free rate yield curve.

In September and December 2023, and in March 2024, Iveco Group issued total 38 thousand PSUs and 9 thousand PSUs, respectively, to select employees.

On 30 June 2024, Mr. Marx (Former CEO) left the Group, therefore, approximately 0.4 million PSUs were forfeited.

The PSUs vested on 28 February 2026, based on actual performance observed for the entire period of 2023-2025, as originally intended. As described above, as consequence of the agreements announced on 30 July 2025, the PSUs will be settled in cash in March 2026 and the cash-settlement payment will reflect the Company's share price as of 27 February 2026.

2024-2026 LTIP Awards

In May 2024, July 2024, and September 2024, following the same framework of the 2022-2024 and 2023-2025 LTIP Awards, the Company issued approximately 0.8 million PSUs to its key executive officers and select employees. The Executive Directors (CEO and Chairperson) had only been awarded PSUs.

The PSUs will vest on 28 February 2027, after the end of the performance period, based on the achievement of each target determined independently related to: (i) 3 years average of the Adjusted EBIT Margin %, weighted 40%; (ii) Relative Total Shareholder Return ("Relative TSR" is the annualised rate of return, reflecting stock price performance, and compared to a pre-selected comparator group), weighted 40% and (iii) CO₂% reduction over the 3 years compared to 2019, weighted 20%. The payout ranges from 50% of target award to a cap of 200% of target award. The Adjusted EBIT Margin % and CO₂ Reduction % metrics payout 50% of target award at threshold, 100% at target achievement and capped at 200% of target award for outstanding performance, and in cases where the Company performance falls between the Threshold, Target, and Outstanding levels, linear interpolation were used to calculate the award. No payout below threshold results. Relative TSR only pays out at or above target (median ranking) and is also capped at 200% of target award for 1st place ranking among the comparator companies.

The fair values of the awards are calculated using the Monte Carlo Simulation model. As almost all the awards issued during 2024 were issued on 27 May, the key assumptions utilised to calculate the grant-date fair values for awards issued on this grant date are listed below:

**Key Assumptions for awards issued
on 27 May 2024**

Grant date stock price (in €)	11.58
Expected Volatility	42 %
Dividend yield	4 %
Risk-free rate	2.90 %

2025-2027 LTIP Awards

In May 2025, following the same framework of the 2022-2024, 2023-2025 LTIP Awards and 2024-2026 LTIP Awards, the Company issued approximately 0.7 million PSUs to its key executive officers and select employees. The Executive Directors (CEO and Chairperson) have only been awarded PSUs.

The PSUs will vest on 29 February 2028, after the end of the performance period, based on the achievement of each target determined independently related to: (i) 3 years average of the Adjusted EBIT Margin %, weighted 40%; (ii) Relative Total Shareholder Return ("Relative TSR" is the annualised rate of return, reflecting stock price performance, and compared to a pre-selected comparator group), weighted 40% and (iii) CO₂% reduction over the 3 years compared to 2019, weighted 20%. The payout ranges from 50% of target award to a cap of 200% of target award. The Adjusted EBIT Margin % and CO₂ Reduction % metrics payout 50% of target award at threshold, 100% at target achievement and capped at 200% of target award for outstanding performance, and in cases where the Company performance falls between the Threshold, Target, and Outstanding levels, linear interpolation were used to calculate the award. No payout below threshold results. Relative TSR only pays out at or above target (median ranking) and is also capped at 200% of target award for 1st place ranking among the comparator companies.

The fair values of the awards are calculated using the Monte Carlo Simulation model. The key assumptions utilised to calculate the grant-date fair values for awards issued on this grant date are listed below:

**Key Assumptions for awards issued
on 9 May 2025**

Grant date stock price (in €)	14.66
Expected Volatility	40 %
Dividend yield	3 %
Risk-free rate	1.90 %

The following table reflects the activity of PSUs under the 2021-2023 LTIP Awards from the Demerger, the 2022-2024 LTIP Awards, the 2023-2025 LTIP Awards, 2024-2026 LTIP Awards and 2025-2027 LTIP Awards during the years ended 31 December 2025 and 2024:

	2025		2024	
	Performance Share Units	Weighted average grant date fair value (in €)	Performance Share Units	Weighted average grant date fair value (in €)
Nonvested at beginning of year	2,693,943	7.22	5,581,522	4.98
Granted	661,030	15.28	790,173	11.17
Forfeited/Cancelled	(254,030)	9.41	(1,045,920)	5.47
Vested	(1,013,310)	3.91	(2,631,832)	4.34
Less: Discontinued Operations - Nonvested at end of year	(105,090)	10.76		
Nonvested at end of year - Continuing Operations	1,982,543	11.14	2,693,943	7.22

Restricted Share Units

2021-2023 LTIP Awards from the Demerger

Under the CNH Industrial EIP, 1.0 million nonvested RSUs on CNH Industrial N.V.'s shares related to Iveco Group key executive officers and select employees were outstanding at 31 December 2021. As a result of the Demerger, such nonvested RSUs outstanding were converted to 1.6 million awards on Iveco Group N.V.'s shares.

The first tranche of RSUs (0.8 million) vested on 30 April 2023 and the second tranche vested on 30 April 2024 (0.7 million). The RSUs vested upon a time-based service requirement.

2022-2024 LTIP Awards

In February 2022, the Board of Directors approved the equity incentive plan in which employees and executive directors may participate. In May 2022, the Company issued 1 million RSUs to its key executive officers and select employees.

The fair value of the award was measured using the stock price on the grant date adjusted for the present value of future dividends that employees would have not received during the vesting period.

In October and November 2022, and in July 2024, Iveco Group issued total 80 thousand RSUs and 5 thousand RSUs, respectively, to select employees.

The RSUs vested on 28 February 2025, and were subject only to the participant's continuing service as officer, director or employee of the Company. As a result, 0.9 million were assigned corresponding to the RSUs vested.

2023-2025 LTIP Awards

In May 2023, following the same framework of the 2022-2024 LTIP Awards, the Company issued 0.7 million RSUs to its key executive officers and select employees.

The fair value of the award was measured using the stock price on the grant date adjusted for the present value of future dividends that employees would have not received during the vesting period.

In September and December 2023, and in March and July 2024, Iveco Group issued total 87 thousand RSUs and 14 thousand RSUs, respectively, to select employees.

The RSUs vested on 28 February 2026, subject only to the participant's continuing service as officer, director or employee of the Company. As described above, as a consequence of the agreements announced on 30 July 2025, the RSUs will be settled in cash in March 2026 and the cash-settlement payment will reflect the Company's share price as of 27 February 2026.

2024-2026 LTIP Awards

In May 2024, following the same framework of the 2022-2024 and 2023-2025 LTIP Awards, the Company issued approximately 0.5 million of RSUs to its key executive officers and select employees. In July and September 2024, Iveco Group issued other 61 thousand RSUs to select employees.

The RSUs will vest on 28 February 2027, subject only to the participant's continuing service as officer, director or employee of the Company. The fair value of the award is measured using the stock price on the grant date adjusted for the present value of future dividends that employees will not receive during the vesting period.

2025-2027 LTIP Awards

In May 2025, following the same framework of the 2022-2024, 2023-2025 LTIP Awards and 2024-2026 LTIP Awards, the Company issued approximately 0.4 million RSUs to its key executive officers and select employees.

The RSUs will vest on 29 February 2028, subject only to the participant's continuing service as officer, director or employee of the Company. The fair value of the award is measured using the stock price on the grant date adjusted for the present value of future dividends that employees will not receive during the vesting period.

The following table reflects the activity of RSUs under the 2021-2023 LTIP Awards from the Demerger, the 2022-2024 LTIP Awards, the 2023-2025 LTIP Awards, 2024-2026 LTIP Awards and 2025-2027 LTIP Awards during the years ended 31 December 2025 and 2024:

	2025		2024	
	Restricted Share Units	Weighted average grant date fair value (in €)	Restricted Share Units	Weighted average grant date fair value (in €)
Nonvested at beginning of year	2,211,441	6.96	2,501,141	5.30
Granted	434,880	13.35	582,807	10.27
Forfeited/Cancelled	(216,166)	8.45	(131,936)	5.59
Vested	(890,293)	5.03	(740,571)	4.19
Less: Discontinued Operations - Nonvested at end of year	(85,160)	9.54		
Nonvested at end of year - Continuing Operations	1,454,702	9.68	2,211,441	6.96

22. Provisions for employee benefits

Iveco Group provides pension, healthcare, and insurance plans and other post-employment benefits to their employees and retirees, either directly or by contributing to independently administered funds. The way these benefits are provided varies according to the legal, fiscal and economic conditions of each country in which the Group operates, the benefits generally being based on the employees' remuneration and years of service. Iveco Group provides post-employment benefits under defined contribution and defined benefit plans.

In the case of defined contribution plans, Iveco Group makes contributions to publicly or privately administered pension insurance plans on a mandatory, contractual, or voluntary basis. Once the contributions have been made, Iveco Group has no further payment obligations. Iveco Group recognises the contribution cost when the employees have rendered their service and includes this cost by function in Cost of sales, Selling, general and administrative costs and Research and development costs. During the years ended 31 December 2025 and 2024, Iveco Group's Continuing Operations recorded expenses of approximately €335 million and €328 million, respectively, for its defined contribution plans, inclusive of social security contributions.

Defined benefit plans may be unfunded, or they may be wholly or partly funded by contributions made by an entity, and sometimes by its employees, into an entity, or fund, that is legally separate from the employer from which the employee benefits are paid. Benefits are generally payable under these plans after the completion of employment. Defined benefit plans are classified by Iveco Group on the basis of the type of benefit provided as Pension plans and Other post-employment benefits.

Pension plans

Pension obligations primarily comprise the obligations of Iveco Group's pension plans in the UK, Germany and Switzerland.

Under these plans, contributions are made to a separate fund (trust) that independently administers the plan assets. Iveco Group's funding policy is to contribute amounts to the plan equal to the amounts required to meet the minimum funding requirements pursuant to the laws of the applicable jurisdictions. Iveco Group may also choose to make discretionary contributions in addition to the funding requirements. To the extent that a fund is overfunded, the Group is not required to make further contribution to the plan in respect of minimum performance requirements so long as the fund is in surplus. The significant pension plans that we are required to fund are in the UK.

Other post-employment benefits

Other post-employment benefits consist of obligations for Italian Employee Leaving Entitlements up to 31 December 2006 (after that date the scheme became a defined contribution plan for Italian companies with more than 50 employees), loyalty bonus in Italy and various other similar plans in France, Germany, and Belgium. Loyalty bonus is accrued for employees who have reached pre-defined service seniority and are generally settled when employees leave the company. These plans are not required to be funded and, therefore, have no plan assets. Other post-employment benefits also include plan obligations for healthcare and insurance plans granted to Iveco Group employees in France.

Provisions for employee benefits at 31 December 2025 and 2024 are as follows:

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Post-employment benefits:		
Pension plans	108	123
Other	152	169
Total Post-employment benefits	260	292
Other provisions for employees	89	119
Other long-term employee benefits	48	55
Total Provision for employee benefits	397	466
Defined benefit plan assets	52	36
Total Defined benefit plan assets	52	36

The item Other provisions for employees consists of the best estimate at the balance sheet date of short-term employee benefits payable by the Group within twelve months from the end of the period in which the employees render the related service.

The item Other long-term employee benefits consists of the Group's obligation for those benefits generally payable during employment on reaching a pre-defined level of seniority in the company or when a specified event occurs, and reflects the probability of payment and the length of time over which this will be made.

In 2025 and 2024 changes in Other provisions for employees and in Other long-term employee benefits are as follows:

<i>(€ million)</i>	At 31 December 2024	Provision	Utilization	Transfer to liabilities held for sale	Change in the scope of consolidation and other changes	At 31 December 2025
Other provisions for employees	119	56	(92)	(11)	17	89
Other long-term employee benefits	55	4	(7)	(3)	(1)	48
Total	174	60	(99)	(14)	16	137

<i>(€ million)</i>	At 31 December 2023	Provision	Utilization	Transfer to liabilities held for sale	Change in the scope of consolidation and other changes	At 31 December 2024
Other provisions for employees	150	115	(142)	(5)	1	119
Other long-term employee benefits	60	5	(6)	(5)	1	55
Total	210	120	(148)	(10)	2	174

The amounts recognised in the consolidated income statement for pension plans and other post-employment benefits in the years ended 31 December 2025 and 2024 are as follows:

<i>(€ million)</i>	Pension plans		Other post-employment benefits	
	2025	2024	2025	2024
Current service cost	5	5	4	4
Interest expenses	12	12	5	5
Interest income	(8)	(8)	—	—
Past service cost	—	(3)	—	—
Items related to Discontinued Operations	—	1	—	—
Component of defined benefit cost recognised in the Consolidated Income Statement	9	7	9	9

The amounts recognised in the consolidated statement of financial position for pension plans at 31 December 2025 and 2024 are as follows:

	Defined benefit obligation		Fair value of plan assets		Effect of asset ceiling		Net defined benefit balance	
	2025	2024	2025	2024	2025	2024	2025	2024
(€ million)								
Balance at the beginning of year	389	421	302	296	—	31	87	156
Current service cost	5	5	—	—	—	—	5	5
Interest expenses	12	13	—	—	—	—	12	13
Interest income	—	—	8	8	—	—	(8)	(8)
Past service cost	—	(3)	—	—	—	—	—	(3)
Component of defined benefit cost recognised in the Consolidated Income Statement	17	15	8	8	—	—	9	7
Return on plan assets	—	—	20	2	—	—	(20)	(2)
Remeasurements:								
Actuarial losses/(gains) from changes in financial assumptions	(12)	(9)	—	—	—	—	(12)	(9)
Other remeasurements	7	4	—	—	—	—	7	4
Total remeasurements	(5)	(5)	—	—	—	—	(5)	(5)
Changes in the effect of limiting a net defined benefit asset to the asset ceiling	—	—	—	—	—	(31)	—	(31)
Components recognised in the Consolidated Statement of Comprehensive Income	(5)	(5)	20	2	—	(31)	(25)	(38)
Contribution by employer	—	—	6	6	—	—	(6)	(6)
Contribution by plan participants	2	2	2	2	—	—	—	—
Benefits paid	(27)	(25)	(19)	(16)	—	—	(8)	(9)
Exchange rate differences	(5)	4	(4)	3	—	—	(1)	1
Transfer to liabilities held for sale	(1)	(24)	—	—	—	—	(1)	(24)
Other	1	1	—	1	—	—	1	—
Balance at end of year	371	389	315	302	—	—	56	87
Thereof:								
UK	116	125	115	121	—	—	1	4
Germany	105	117	—	—	—	—	105	117
Switzerland	137	134	188	170	—	—	(51)	(36)
Other countries	13	13	12	11	—	—	1	2
Total	371	389	315	302	—	—	56	87
Thereof:								
Net defined benefit liability							108	123
Net defined benefit asset							52	36

Other post-employment benefits at 31 December 2025 and 2024 do not have plan assets; therefore, the net liability at the end of each year considered corresponds to the defined benefit obligation at the same date.

The amounts recognised in the statement of financial position for Other post-employment benefits at 31 December 2025 and 2024 are as follows:

(€ million)	Defined benefit obligation	
	2025	2024
Balance at the beginning of year	169	178
Current service cost	4	4
Interest expenses	5	5
Past service cost	—	—
Component of defined benefit cost recognised in the Consolidated Income Statement	9	9
Remeasurements:		
Actuarial losses/(gains) from changes in demographic assumptions	—	(3)
Actuarial losses/(gains) from changes in financial assumptions	(11)	(3)
Other remeasurements	2	1
Total remeasurements	(9)	(5)
Components recognised in the Consolidated Statement of Comprehensive Income	(9)	(5)
Benefits paid	(11)	(11)
Transfer to Liabilities held for sale	(8)	(3)
Other	2	1
Balance at end of year	152	169
Thereof:		
Italy	96	111
France	54	55
Other countries	2	3
Net defined benefit liability	152	169

The weighted average durations of post-employment benefits obligations are as follows:

	N° of years
Pension plans	12
Other post-employment benefits	8

Assumptions

The following main assumptions were utilised in determining the funded status at 31 December 2025 and 2024, and the expense of Iveco Group's defined benefit plans for the years ended 31 December 2025 and 2024:

(in %)	Assumptions used to determine funded status at year-end	
	At 31 December 2025	
	Pension plans	Other post-employment benefits
Weighted-average discount rates	3.35	3.79
Weighted-average rate of compensation increase	1.52	2.70
(in %)	At 31 December 2024	
	Pension plans	Other post-employment benefits
	Weighted-average discount rates	3.19
Weighted-average rate of compensation increase	1.75	3.30

Assumptions used to determine expense at year-end

At 31 December 2025		
(in %)	Pension plans	Other post-employment benefits
Weighted-average discount rates	3.18	3.33
Weighted-average rate of compensation increase	1.67	3.29

At 31 December 2024		
(in %)	Pension plans	Other post-employment benefits
Weighted-average discount rates	3.08	3.26
Weighted-average rate of compensation increase	2.07	3.31

Assumed discount rates are used in measurements of pension and other post-employment benefit obligations and net interest on the net defined benefit liability/asset. Iveco Group selects its assumed discount rates based on the consideration of equivalent yields on high-quality fixed income investments at the measurement date. The assumed discount rate is used to discount future benefit obligations back to today's euros. The discount rates are based on a benefit cash flow-matching approach and represent the rates at which the benefit obligations could effectively be settled as of the measurement date, 31 December. The benefit cash flow-matching approach involves analysing Iveco Group's projected cash flows against a high-quality bond yield curve, mainly calculated using a wide population of AA-grade corporate bonds subject to minimum amounts outstanding and meeting other defined selection criteria.

Iveco Group reviews annually the mortality assumptions used in measurements of its pension, healthcare and other post-employment benefit obligations. Consideration is given to the assumptions used in the latest local funding valuations, and the latest tables applicable in each country.

For major plans in France and Germany, Iveco Group uses the spot yield curve approach to estimate the service cost and net interest components by applying the specific spot rates along the yield curve used to determine the benefit obligations to relevant projected cash outflows. For plans in Italy, discount rate is set locally and interest cost is based on first year rate of the Euro Composite AA curve. For all other plans service cost and interest cost are calculated based on a single discount rate.

Assumed discount rates have an effect on the amount recognised in the 2025 financial statements. A one percentage point change in the assumed discount rates would have the following effects on defined benefit obligations related to Continuing Operations:

(€ million)	One percentage point increase	One percentage point decrease
Effect on pension plans defined benefit obligation at 31 December 2025	(40)	49
Effect on other post-employment defined benefit obligation at 31 December 2025	(11)	13

Plan assets

The investment strategy for the plan assets depends on the features of the plan and on the maturity of the obligations. Typically, less mature plan benefit obligations are funded by using more equity securities as they are expected to achieve long-term growth exceeding the rate of inflation. More mature plan benefit obligations are funded using more fixed income securities as they are expected to produce current income with limited volatility. Risk management practices include the use of multiple asset classes and investment managers within each asset class for diversification purposes. Specific guidelines for each asset class and investment manager are implemented and monitored. Plan assets do not include treasury shares of the Company or properties occupied by Group companies.

The fair value of plan assets at 31 December 2025 and 2024 may be disaggregated by asset class and level as follows. Fair value levels presented below are described in the “Accounting policies – Fair value measurement” section of these Notes.

(€ million)	Fair value of plan assets							
	At 31 December 2025				At 31 December 2024			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Equity securities	42	42	—	—	47	36	11	—
Government bonds	99	54	45	—	84	53	31	—
Corporate bonds	—	—	—	—	6	—	6	—
Other bonds	9	—	9	—	12	—	12	—
Insurance contracts	9	—	—	9	9	—	—	9
Other types of investments ⁽¹⁾	65	20	45	—	66	17	40	9
Cash	25	8	17	—	25	13	12	—
Real Estate	66	—	66	—	53	—	53	—
Total	315	124	182	9	302	119	165	18

(1) This category includes primarily commingled funds.

Contribution

Iveco Group expects to contribute approximately €6 million to pension plans related to Continuing Operations in 2026. The benefit expected to be paid from the benefit plans for Continuing Operations, which reflect expected future years of service, are as follows:

(€ million)	Expected benefit payments						
	2026	2027	2028	2029	2030	2031 to 2034	Total
Post-employment benefits:							
Pension plans	25	26	24	25	25	108	233
Other	11	10	11	13	17	71	133
Total Post-employment benefits	36	36	35	38	42	179	366
Other long-term employee benefits	4	5	6	6	6	26	53
Total	40	41	41	44	48	205	419

Potential outflows in the years after 2026 are subject to a number of uncertainties, including future asset performance and changes in assumptions.

23. Other provisions

Changes in Other provisions are as follows:

(€ million)	At 31 December 2024	Charge	Utilization	Release to income and other changes	Transfer to liabilities held for sale	At 31 December 2025
Obligations from sales	1,072	163	(121)	(62)	(78)	974
Warranty and product related	618	736	(518)	(346)	(44)	446
Legal proceedings and other disputes	112	4	(7)	(12)	(19)	78
Restructuring	15	—	—	(3)	—	12
Other risks	232	19	(7)	(161)	(9)	74
Total Other provisions	2,049	922	(653)	(584)	(150)	1,584

(€ million)	At 31 December 2023	Charge	Utilization	Release to income and other changes	Transfer to liabilities held for sale	At 31 December 2024
Obligations from sales	910	490	(297)	(27)	(4)	1,072
Warranty and product related	566	729	(505)	(164)	(8)	618
Legal proceedings and other disputes	115	38	(31)	(10)	—	112
Restructuring	24	3	(9)	(3)	—	15
Other risks	221	86	(74)	5	(6)	232
Total Other provisions	1,836	1,346	(916)	(199)	(18)	2,049

Obligations from sales relates to discounts, bonuses and similar allowances for which there is a legal or constructive obligation attributable to sales revenue as well as any risks arising in connection with the sale of products and services. This provision is estimated based on information available for the sales made.

The warranty and product related provision represents management's best estimate of commitments given by the Group for contractual, legal or constructive obligations arising from product warranties given for a specified period of time which begins at the date of delivery to the customer. This estimate has been calculated considering past experience and specific contractual terms. This provision also includes management's best estimate of the costs that are expected to be incurred in connection with product defects that could result in a larger recall of vehicles. This provision for risks is developed through an assessment of reported damages or returns on a case-by-case basis.

Legal proceedings and other disputes represent management's best estimate of the liability to be recognised by the Group with regard to legal proceedings arising in the ordinary course of business with dealers, customers, suppliers, or regulators (such as contractual, patent, or antitrust disputes), legal proceedings involving claims with active and former employees and disputes related to indirect taxes. Each Group company recognises a provision for legal proceedings when it is deemed probable that the proceedings will result in an outflow of resources. In determining the best estimate of the probable liability, each Group company assesses its legal proceedings on a case-by-case basis to estimate the probable losses that typically arise from events of the type giving rise to the liability. The estimate takes into account, as applicable, the views of legal counsel and other experts, the experience of the company and others in similar situations and the company's intentions with regard to further action in each proceeding.

Restructuring provision represents management's best estimate of costs primarily associated to certain fundamental organisational changes.

Other risks include other provisions of smaller amounts for miscellaneous risks and charges in connection with risks which cannot be specifically attributed to the other categories.

Iveco Group's consolidated provisions combine the individual provisions established by each of the Group's companies.

24. Debt

Credit Facilities

Lenders of committed credit facilities have the obligation to make advances up to the facility amount. Lenders of uncommitted facilities have the right to terminate the agreement, with no acceleration of the advances, with prior notice to Iveco Group. At 31 December 2025, Iveco Group had available committed unsecured facilities expiring after twelve months amounting to €1,900 million (€1,900 million at 31 December 2024).

On 4 January 2022, Iveco Group signed a €1.9 billion syndicated facility, which included a €1.4 billion committed revolving credit facility with a 5-year tenor with two extension options of 1-year each (subject to the bank's approval), as well as a €0.5 billion committed term facility with a 12-months tenor, extendable for up to an additional 12 months at the Company's sole option. In October 2022, Iveco Group signed a new €400 million syndicated term facility with a 2-year tenor extendable for up to an additional 12 months at the Company's sole option. The proceeds have been used to refinance the existing term facility. The €1.4 billion revolving credit facility has been extended for two additional years with all lenders, by exercising the first and the second one-year extension option. The facility is now due to mature in January 2029.

On 27 November 2023, Iveco Group signed a €450 million term loan facility with the European Investment Bank (EIB) with an 8-year amortisation profile, which represented the first tranche of the €500 million total approved by the European Investment Bank. The proceeds of the loan facility, which have been drawdown in full in December 2023, will be applied, over a period of three years, to enable Iveco Group to develop innovative technologies and architectures in the field of electric propulsion and to increase efficiency, safety, driving comfort and productivity by further developing solutions for autonomous driving, digitalisation and vehicle connectivity. This loan is at a below-market rate of interest. The difference between the market rate of interest for an equivalent loan at the inception date and the rate granted by the EIB has been recognised as a government grant in accordance with IAS 20, and recorded as a deduction from the capitalized development costs financed by the loan on a straight-line basis over the life of the underlying projects. The loan is measured at amortised cost, in the amount of €405 million at 31 December 2025 (€436 million at 31 December 2024). In July 2024, the second and last €50 million tranche has been executed with full drawing in October 2024.

The facilities above include typical provisions for contracts of this type and size, such as: customary covenants mainly relating to Industrial Activities including negative pledge, a status (or *pari passu*) covenant, restrictions on the incurrence of indebtedness by certain subsidiaries, customary events of default (some of which are subject to minimum thresholds and customary mitigants) including cross-default, failure to pay amounts due or to comply with certain provisions under the loan agreement, the occurrence of certain bankruptcy-related events and mandatory prepayment obligations upon a change in control of Iveco Group or the borrower and a financial covenant (Net debt/EBITDA ratio relating to Industrial Activities) that is not applicable in case of rating equal or higher than BBB/Baa2. The failure to comply with these provisions, in certain cases if not suitably remedied, can lead to the requirement to make early repayment of the outstanding advances. At 31 December 2025, Iveco Group was in compliance with all covenants of the above facilities.

In June 2024, Iveco Group N.V. signed a term loan facility of €150 million with Cassa Depositi e Prestiti (CDP) for the creation of new projects in Italy dedicated to research, development and innovation. Furthermore, in July 2024 Iveco Group N.V. successfully raised a *Schuldschein* loan (a private placement governed by German law) for €290 million and between July 2024 and October 2024 Iveco Group N.V. executed new bilateral term loan facilities for a total amount of €300 million. In 2025, Iveco Group N.V. signed a new 3-years term loan facility of €50 million.

At 31 December 2025, Financial Services' asset-backed facilities amounted to €1,025 million (€1,031 million at 31 December 2024), committed and expiring after twelve months. Bank debt of Financial Services also included €115 million (€115 million at 31 December 2024) *Schuldschein* loan with a 3-year tenor.

Debt

The following table presents the Group's contractual undiscounted cash flows, including expected interest payments, relating to Debt, as well as an analysis of Debt by nature:

	At 31 December 2025					At 31 December 2024				
	Due within one year	Due between one and five years	Due beyond five years	Total	Carrying amount	Due within one year	Due between one and five years	Due beyond five years	Total	Carrying amount
(€ million)										
Asset-backed financing	3,187	4	—	3,191	3,166	3,576	4	—	3,580	3,558
Other debt:										
Borrowings from banks	562	1,798	87	2,447	2,274	728	1,663	168	2,559	2,344
Payables represented by securities	59	—	—	59	59	35	—	—	35	35
Lease liabilities	62	105	49	216	189	65	111	54	230	199
Other ⁽¹⁾	369	2	2	373	373	168	2	—	170	170
Total Other debt	1,052	1,905	138	3,095	2,895	996	1,776	222	2,994	2,748
Total Debt	4,239	1,909	138	6,286	6,061	4,572	1,780	222	6,574	6,306

(1) At 31 December 2025, Other includes €164 million of net financial payables to Discontinued Operations.

Total Debt was €6,061 million at 31 December 2025, a decrease of €245 million compared to 31 December 2024 primarily as a result of lower Financial Services portfolio and the repayment of Debt of Industrial Activities.

The item Asset-backed financing represents the financing received through both asset-backed securitisations and factoring transactions which do not meet IFRS 9 derecognition requirements and are recognised as assets in the statement of financial position.

Referring to Lease liabilities, in 2025, €69 million for the principal portion and €9 million for interest expenses related to Lease liabilities, respectively, were paid (€67 million for the principal portion of Lease liabilities and €10 million for interest expenses, respectively, were paid in 2024).

The following table sets out a maturity analysis of Lease liabilities at 31 December 2025 and 2024:

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Less than one year	62	65
One to two years	42	44
Two to three years	30	30
Three to four years	20	22
Four to five years	13	15
More than five years	49	54
Total undiscounted lease payments	216	230
Less: Interest	(27)	(31)
Total Lease liabilities	189	199

At 31 December 2025, the weighted average remaining lease term (calculated on the basis of the remaining lease term and the lease liability balance for each lease) and the weighted average discount rate for leases were 6.2 years and 4.1%, respectively (6.3 years and 4.3% at 31 December 2024).

In April 2025, Iveco Group established its Euro Medium Term Note Programme for the issuance of Notes totalling up to a maximum amount of €2 billion, which is listed on the regulated market of Euronext Dublin. Furthermore, Iveco Group has established a commercial paper program. In Europe, IC Financial Services S.A. issued commercial paper under the program which had an amount of €59 million outstanding at 31 December 2025 (€35 million at 31 December 2024).

As of 31 December 2025, the credit rating assigned by Fitch Ratings to Iveco Group N.V. is a Long-Term Issuer Default Rating (IDR) of 'BBB-'. The Rating Watch is positive.

For further information on the management of interest rate and currency risk reference should be made to Note 30.

At 31 December 2025 and 2024, there was no significant debt secured with mortgages and other liens on assets of the Group, and the total carrying amount of assets acting as security was not significant at 31 December 2025 and 2024. In addition, the Group's assets include current receivables and cash with a pre-determined use reserved primarily to settle asset-backed financing of €3,166 million at 31 December 2025 (€3,558 million at 31 December 2024).

25. Trade payables

An analysis by due date of Trade payables is as follows:

<i>(€ million)</i>	At 31 December 2025			
	Due within one year	Due between one and five years	Due beyond five years	Total
Trade payables	3,719	21	13	3,753

<i>(€ million)</i>	At 31 December 2024			
	Due within one year	Due between one and five years	Due beyond five years	Total
Trade payables	3,947	5	4	3,956

26. Other liabilities

An analysis of Other liabilities is as follows:

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Advances on buy-back agreements	844	864
Contract liabilities	1,388	1,350
Indirect tax payables	282	257
Accrued expenses and deferred income	190	224
Payables to personnel	154	158
Social security payables	104	101
Other	262	480
Total Other liabilities	3,224	3,434

An analysis of Other liabilities (excluding Accrued expenses and deferred income) by due date is as follows:

<i>(€ million)</i>	At 31 December 2025			
	Due within one year	Due between one and five years	Due beyond five years	Total
Other liabilities (excluding Accrued expenses and deferred income)	1,705	1,295	34	3,034

<i>(€ million)</i>	At 31 December 2024			
	Due within one year	Due between one and five years	Due beyond five years	Total
Other liabilities (excluding Accrued expenses and deferred income)	1,966	1,207	37	3,210

Contract liabilities primarily relate to extended warranties/maintenance and repair contracts, and transactions for the sale of vehicles with a buy-back commitment. Contract liabilities include €532 million at 31 December 2025 (€541 million at 31 December 2024) for future rents related to buy-back agreements. Changes in Contract liabilities for the years ended 31 December 2025 and 2024 are as follows:

<i>(€ million)</i>	At 31 December 2024	Additional amounts arising during the period	Amounts recognised within revenue	Transfer to Liabilities held for sale	Translation differences and other changes	At 31 December 2025
Contract liabilities	1,350	859	(729)	(91)	(1)	1,388

<i>(€ million)</i>	At 31 December 2023	Additional amounts arising during the period	Amounts recognised within revenue	Transfer to Liabilities held for sale	Translation differences and other changes	At 31 December 2024
Contract liabilities	1,332	812	(784)	(8)	(2)	1,350

Advances on buy-back agreements includes the repurchase value of the vehicle relating to new vehicles sold with a buy-back commitment from Truck and Bus Business Units, included in Property, plant and equipment, as described in section "Accounting policies".

27. Commitments and contingencies

As a global company with a diverse business portfolio, Iveco Group in the ordinary course of business is exposed to numerous legal risks, including, without limitation, dealers and suppliers litigation, intellectual property rights disputes, product warranty and defective product claims, product performance liability, asbestos, personal injury, regulatory and contractual issues, competition law, anti-corruption and other investigations, environmental claims. All significant matters are described below.

The outcome of any current or future proceedings, claims, or investigations cannot be predicted with certainty. Adverse decisions in some of these proceedings, claims or investigations could require Iveco Group to pay substantial damages or fines or undertake service actions, recall campaigns or other costly actions. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect Iveco Group's financial position and results.

When it is probable that an outflow of resources embodying economic benefits will be required to settle obligations and this amount can be reliably estimated, Iveco Group recognises specific provisions for this purpose. Contingent liabilities estimated by the Group, for which no provisions have been recognised since an outflow of resources is not considered probable at the present time, were not material at 31 December 2025 and 2024.

Although the ultimate outcome of legal matters pending against Iveco Group cannot be predicted, Iveco Group believes the reasonable possible range of losses for these unresolved legal matters in addition to the amounts accrued would not have a material effect on its Consolidated Financial Statements, except for the following cases.

Other litigation and investigation

Follow on Damages Claims: in 2011 Iveco S.p.A. and Iveco Magirus AG (now Iveco Deutschland AG, and together with Iveco S.p.A. "Iveco"), which, following the Demerger, are now part of Iveco Group N.V., and their competitors in the European Union were subject to an investigation by the European Commission (the "Commission") into certain business practices in the European Union in the period 1997-2011, in relation to Medium & Heavy trucks. On 19 July 2016, the Commission announced a settlement with CNH Industrial ("the Decision") including a settlement with Iveco. In particular, Iveco received a reduction in its fine for cooperating with the European Commission throughout the investigation, and received a fine of €494.6 million. Similar decisions were taken, by the Commission, with reference to the other competitors. Following the Decision, Iveco S.p.A. and Iveco Magirus AG (now Iveco Deutschland AG) have been named as defendants in many proceedings across Europe and Israel. These damage claims could result in substantial liabilities for the Group as well as incurring in significant defense costs, which may have a material adverse effect on its operations and financial condition. The extent and outcome of these claims cannot be reliably predicted at this time and, therefore, the Group did not recognise any specific provision for these claims. In 2025 and 2024, Iveco Group recognised a cost of €80 million and €20 million, respectively, related to certain claims for which it was possible to make a reliable estimate. This current position will be reassessed on a regular basis and updated as necessary, based on cases' evolution. In accordance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* (paragraph 92), no further information is disclosed so as not to prejudice the Group's position.

FPT Emissions Claims: We are defending individual civil claims alleging emissions' non-compliance in Germany and Austria. We cannot predict at this time the extent and outcome of these individual claims and therefore we did not recognise any specific provision in such relation.

Iveco Poland Antitrust Case: in August 2024, the President of the Office of Competition and Consumer Protection of Poland ("UOKIK") issued a decision regarding alleged violations of competition law by Iveco Poland Sp. z o.o. ("IPL"), a subsidiary of Iveco Group N.V., and its distributors in the local truck market, envisaging a fine of PLN 155 million (approximately €37 million as of 31 December 2025). The UOKIK decision was served on IPL in September 2024. Iveco Group disagrees with the allegations and findings presented by the UOKIK and intends to defend its case in every possible instance and the decision of UOKIK is not yet final or binding. As a consequence, in October 2024, IPL has appealed the UOKIK decision before the Polish First Instance court (the "Court") and, as of the date of the present document, the proceedings are pending. Only a final judgment of the Court will determine whether a breach of competition law took place and the amount of the fine, if any, that should be paid. In light of the above, Iveco Group did not recognise any specific provision in relation to this case.

Commitments and guarantees

Iveco Group provided guarantees on the debt or commitments of third parties and performance guarantees, mainly in the interest of an associate providing financing solutions to customers, and of a joint venture related to commercial commitments of defense vehicles, for the total amount of €563 million and €490 million at 31 December 2025 and 2024, respectively. At 31 December 2025, this amount included guarantees provided on commitments of a joint venture of Discontinued Operations for €326 million.

28. Segment reporting

The segment information disclosed in these Consolidated Financial Statements reflects the identifiable reporting segments of the Company and the financial information that the Chief Operating Decision Maker (CODM) reviews to assess performance and make decisions about resource allocation. The segments are organised based on products and services provided by Iveco Group.

Iveco Group has the following operating segments:

- **Truck** designs, manufactures and distributes a full range of light, medium, and heavy vehicles for the transportation and distribution of goods under the IVECO brand;
- **Bus** designs, manufactures and distributes minibuses, city-buses, intercity buses and coaches under the IVECO BUS and HEULIEZ brands;
- **Powertrain** designs, manufactures and distributes, under the FPT Industrial brand, a range of combustion engines, alternative propulsion systems, transmission systems and axles for on- and off-road applications, as well as for marine and power generation; and
- **Financial Services** offers a range of financial products and services to dealers and customers. Financial Services provides and administers retail financing to customers for the purchase or lease of new and used vehicles sold by brand dealers and distributors of the Group or directly by subsidiaries of the Group. In addition, Financial Services provides wholesale financing to brand dealers and distributors of the Group. Wholesale financing consists primarily of floor plan financing and allows the dealers to purchase and maintain a representative inventory of products. Financial Services also provides discounting of non-dealer trade receivables from legal entities of the Group. Additionally, Financial Services grants support to CNH Group (CNH), by providing financial services for its European brands, dealers and customers under a vendor and service agreement, receiving a fee for the services rendered.

Furthermore, at 31 December 2025, Iveco Group still controls Defence business which designs, manufactures and distributes vehicles for civil defense and civil protection under the IDV brand, and vocational heavy-duty trucks for heavy haulage and off-road missions under the ASTRA brand. Defence business is classified as Discontinued Operations in this Annual Report, as previously described. The activities carried out by the Truck, Bus, Defence and Powertrain Business Units, as well as by the holding company Iveco Group N.V. and the Defence Business Unit (classified as Discontinued Operations) are collectively referred to as "Industrial Activities".

Revenues for each reported segment are those directly generated by or attributable to the segment as a result of its business activities and include revenues from transactions with third parties as well as those deriving from transactions with other segments, recognised at normal market prices. Segment expenses represent expenses deriving from each segment's business activities both with third parties and other operating segments or which may otherwise be directly attributable to it. Expenses deriving from business activities with other segments are recognised at normal market prices.

The CODM assesses the segment performance and makes decisions about resource allocation based upon Adjusted EBIT, which is deemed to more fully reflect Industrial Activities and Financial Services segments' profitability. Adjusted EBIT is defined as EBIT before restructuring costs and non-recurring items. In particular, non-recurring items are specifically disclosed items that management considers rare or discrete events that are infrequent in nature and not reflective of on-going operational activities. Management believes Adjusted EBIT is useful because it excludes items that management believes are not indicative of Iveco Group's underlying operating performance between periods. Management also believes that Adjusted EBIT is useful for investors and analysts to better understand how the CODM assesses Iveco Group's underlying operating performance on a consistent basis. Accordingly, Iveco Group believes that Adjusted EBIT provides useful information to third party stakeholders in understanding and evaluating Group's operations.

The following table summarises Adjusted EBIT of Continuing Operations by reportable segment:

<i>(€ million)</i>	2025	2024
Truck	325	560
Bus	144	140
Powertrain	224	221
Unallocated items, eliminations and other	(164)	(160)
Adjusted EBIT of Industrial Activities	529	761
Financial Services	117	131
Eliminations and other	—	—
Total Adjusted EBIT	646	892

A reconciliation from Adjusted EBIT of Continuing Operations to Profit/(loss) before taxes of Continuing Operations for the years ended 31 December 2025 and 2024 is provided below:

<i>(€ million)</i>	2025	2024
Adjusted EBIT of Industrial Activities	529	761
Adjusted EBIT of Financial Services	117	131
Adjusted EBIT	646	892
Restructuring costs	(10)	(24)
Non-recurring items ⁽¹⁾	(98)	(139)
Net financial income/(expenses)	(222)	(192)
Profit/(loss) before taxes	316	537

(1) In the year ended 31 December 2025, this item primarily includes €80 million costs related to certain claims arising from the EU Commission's 2016 antitrust settlement decision announced on 19 July 2016, €22 million transaction costs in connection with the Merger Agreement with Tata Motors, and €12 million gain from sale of GATE majority interest. In the year ended 31 December 2024, this item mainly included €96 million costs for actions related to EPA/CARB newly-introduced post-sale in field verification program on North America market, €20 million costs related to certain claims arising from the EU Commission's 2016 antitrust settlement decision announced on 19 July 2016, €20 million related to the reorganisation of the Chinese operations, as well as €5 million separation costs related to the spin-off of the Iveco Group business from CNH Industrial.

Furthermore, for completeness of information, the following table provides the Adjusted EBIT of Defence business, classified as Discontinued Operations:

<i>(€ million)</i>	2025	2024
Adjusted EBIT - Defence business	158	91

There are no segment assets or liabilities reported to the CODM for assessing performance and allocating resources.

Additional reportable segment information

Net Revenues by reportable segment for the years ended 31 December 2025 and 2024 are provided in Note 1.

Depreciation and amortisation by reportable segment for the years ended 31 December 2025 and 2024 are provided below:

(€ million)	2025	2024
Truck	493	435
Bus	74	51
Powertrain	160	164
Unallocated items, eliminations and other	5	3
Total Industrial Activities	732	653
Financial Services	4	4
Total Depreciation and amortisation^(*)	736	657

(*) Excluding depreciation of assets on operating lease and assets sold with buy-back commitment.

Expenditures for long-lived assets by operating segments for the years ended 31 December 2025 and 2024 are provided below:

(€ million)	2025	2024
Truck	493	609
Bus	104	120
Powertrain	147	165
Unallocated items, eliminations and other	28	13
Total Industrial Activities	772	907
Financial Services	3	7
Total Expenditures for long-lived assets^(*)	775	914

(*) Excluding assets sold under buy-back commitments and operating leases.

29. Information by geographical area

The Company has its principal office in Turin, Italy. Revenues earned in Italy from external customers were €2,711 million and €2,499 million in 2025 and 2024, respectively. Revenues earned in the rest of the world from external customers were €10,717 million and €11,918 million in 2025 and 2024, respectively. The following table highlights revenues earned from external customers in the rest of the world by destination:

(€ million)	2025	2024
France	1,747	1,890
Germany	1,358	1,502
Brazil	1,052	1,196
Spain	965	1,016
UK	508	688
Argentina	504	428
Türkiye, Caucasus and South Central Asia Sub-region	446	441
Poland	410	497
South East and Japan Sub-region, excluding Pakistan	354	336
Belgium	319	279
Switzerland	265	318
Czech Republic	219	270
Austria	206	247
Portugal	181	188
Australia and New Zealand	162	159
Romania	160	89
The Netherlands	106	298
China	33	55
Other	1,722	2,021
Total revenues from external customers in the rest of the world	10,717	11,918

In 2025 and 2024, no single external customer of Iveco Group accounted for 10 per cent or more of consolidated revenues.

Total non-current assets located in Italy, excluding financial assets, deferred tax assets and defined benefit assets, were €2,551million and €2,564 million at 31 December 2025 and 2024, respectively, and the total of such assets located in the rest of the world was €2,872 million and €2,935 million at 31 December 2025 and 2024, respectively. The following highlights non-current assets by geographical area in the rest of the world:

(€ million)	2025	2024
Spain	789	754
France	676	653
Germany	486	530
Brazil	136	150
Switzerland	81	67
China	48	64
Portugal	46	41
Belgium	38	31
Czech Republic	13	14
UK	9	50
Other	550	581
Total non-current assets in the rest of the world	2,872	2,935

30. Information on financial risks

We are exposed to the following financial risks connected with our operations:

- credit risk related to our financing activities
- liquidity risk, with particular reference to the availability of funds and access to the credit market and to financial instruments in general
- market risk (primarily exchange rates and interest rates).

We attempt to actively manage these risks.

The quantitative data reported in the following paragraphs does not have any predictive value. In particular, the sensitivity analysis on market risks does not reflect the complexity of the market or the reaction, which may result from any changes that are assumed to take place.

Credit risk

The Group's credit risk differs in relation to the activities carried out by the segments and sales markets in which we operate; in all cases, however, the risk is mitigated by the large number of counterparties and customers.

Financial assets are recognised in the statement of financial position net of write-downs for the risk that counterparties may be unable to fulfil their contractual obligations, determined on the basis of the available information as to the creditworthiness of the customer and historical data.

The maximum credit risk to which we were theoretically exposed at the reporting date is represented by the carrying amounts stated for financial assets in the statement of financial position and the nominal value of the guarantees provided on debt or commitments of third parties.

Dealers and final customers are generally subject to specific assessments of their creditworthiness under a detailed scoring system. In addition to carrying out this evaluation process, we may also obtain financial and non-financial guarantees for risks arising from credit granted for the sale of commercial vehicles. These guarantees are further secured, where possible, by retention of title clauses or specific guarantees on financed vehicle sales to the distribution network and on vehicles under finance leasing agreements.

A financial asset has experienced a significant increase in credit risk when the customer shows signs of operational or financial weakness including past dues, which requires significant collection effort and monitoring and generally occurs when the customer becomes past due greater than 30 days. The assessment considers available information regarding the financial stability of the customer and other market/industry data. An account is typically considered in default when they are 90 days past due.

Iveco Group utilises three categories for receivables from financing activities that reflect their credit risk and how the loan provision is determined.

Internal risk grade	IFRS 9 classification	Definition	Basis for recognition of expected credit loss provision
Performing	Stage 1	Low risk of default; payments are generally less than 30 days past due	12 month expected credit losses
Performing	Stage 2	Significant increase in credit risk; payments generally between 31 and 90 days past due	Lifetime expected credit losses
Non-performing	Stage 3	Accounts are credit impaired and/or a legal action has been initiated; payments generally greater than 90 days past due	Lifetime expected credit losses

Write-offs of principal amounts of receivables from financing activities outstanding are deducted against the allowance when it is estimated that the amounts due are deemed uncollectible. Iveco Group continues to engage in collection efforts to attempt to recover the receivables. When recoveries are collected, these are recognised in profit or loss.

Iveco Group's loss allowance for receivables from financing activities is segregated into two portfolio segments: retail and wholesale. A portfolio segment is the level at which Iveco Group develops a systematic methodology for determining its loss allowance. Typically, Iveco Group's receivables within a portfolio segment have similar risk profiles and methods for assessing and monitoring risk. These classes align with management reporting.

The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, Iveco Group considers historical loss rates for each category of customer and adjusts for forward-looking macroeconomic data.

In calculating the expected credit losses, Iveco Group's calculations depend on whether the receivable has been individually identified as being impaired. The first component of loss allowance covers the receivables individually reviewed by management for which Iveco Group has determined it is probable that it will not collect all of the contractual principal and interest. Receivables are individually reviewed for impairment based on, among other items, amounts outstanding, days past due and prior collection history. Expected credit losses are measured by considering: the unbiased and probability-weighted amount; the time value of money; and reasonable and supportable information (available without undue costs or effort) at the reporting date about past events, current conditions and forecasts of future economic conditions. Expected credit losses are measured as the probability-weighted present value of all cash shortfalls over the expected life of each financial asset.

The second component of loss allowance covers all receivables that have not been individually reviewed for impairment. The allowance for these receivables is based on aggregated portfolio evaluations, generally by financial product. The allowance for wholesale and retail credit losses is based on loss forecast models that consider a variety of factors that include, but are not limited to, historical loss experience, collateral value, portfolio balance and delinquency. The loss forecast models are updated on a quarterly basis. The calculation is adjusted for forward-looking macroeconomic factors. In addition, qualitative factors that are not fully captured in the loss forecast models are considered in the evaluation of the adequacy of the allowance. These qualitative factors are subjective and require a degree of management judgment.

Liquidity risk

We are exposed to funding risk if there is difficulty in obtaining finance for operations at any given point in time.

The cash flows, funding requirements and liquidity of our subsidiaries are monitored on a centralized basis. The aim of this centralized system is to optimize the efficiency and effectiveness of the management of our capital resources.

Additionally, as part of our activities, we regularly carry out funding operations on the various financial markets which may take on different technical forms and which are aimed at ensuring that it has an adequate level of current and future liquidity.

Measures taken to generate financial resources through operations and to maintain an adequate level of available liquidity are an important factor in ensuring normal operating conditions and addressing strategic challenges. We therefore plan to meet our requirements to settle liabilities as they fall due and to cover expected capital expenditures by using cash flows from operations and available liquidity, renewing or refinancing bank loans and making recourse to the bond market and other forms of funding.

The main factors that determine our liquidity situation are the funds generated by or used in operating and investing activities and the debt lending period and its renewal features or the liquidity of the funds employed and market terms and conditions.

Iveco Group has adopted a series of policies and procedures whose purpose is to optimize the management of funds and to reduce the liquidity risk, as follows:

- centralizing the management of receipts and payments, where it may be economical in the context of the local statutory, currency and fiscal regulations of the countries in which we are present
- maintaining an adequate level of available liquidity
- diversifying the means by which funds are obtained and maintaining a continuous and active presence on the capital markets
- obtaining adequate credit lines
- monitoring future liquidity on the basis of business planning.

Details as to the repayment structure of the Iveco Group's financial assets and liabilities are provided in Note 17 "Current Receivables and Other current financial assets" and in Note 24 "Debt". Details of the repayment structure of derivative financial instruments are provided in Note 18 "Derivative assets and Derivative liabilities".

Management believes that the funds currently available, together with the funds that will be generated from operating and financing activities, will enable Iveco Group to satisfy its requirements resulting from its investing activities and working capital needs and to fulfil its obligations to repay its debts at their natural due date.

Market risk

We operate in numerous markets worldwide and are exposed to market risks stemming from fluctuations in currency and interest rates.

The exposure to foreign currency risk arises both in connection with the geographical distribution of our industrial activities compared to the markets in which we sell our products, and in relation to the use of external borrowing denominated in foreign currencies.

The exposure to interest rate risk arises from the need to fund industrial and financial operating activities and the necessity to deploy surplus funds. Changes in market interest rates may have the effect of either increasing or decreasing our profit/(loss), thereby indirectly affecting the costs and returns of financing and investing transactions.

We regularly assess our exposure to foreign currency and interest rate risk and manage those risks through the use of derivative financial instruments in accordance with our established risk management policies.

Our policy permits derivatives to be used only for managing the exposure to fluctuations in exchange and interest rates connected with future cash flows and assets and liabilities, and not for speculative purposes.

We utilise derivative financial instruments designated as fair value hedges, mainly to hedge:

- the currency risk on financial instruments denominated in foreign currency
- the interest rate risk on fixed rate loans and borrowings.

The instruments used for these hedges are mainly currency swaps, forward contracts, interest rate swaps and combined interest rate and currency financial instruments.

We use derivative financial instruments as cash flow hedges for the purpose of pre-determining:

- the exchange rate at which forecasted transactions denominated in foreign currencies will be accounted for;
- the interest paid on borrowings, both to match the fixed interest received on loans (customer financing activity), and to achieve a pre-defined mix of floating versus fixed rate funding structured loans.

The exchange rate exposure on forecasted commercial flows is hedged by currency swaps, forward contracts and currency options. Interest rate exposures are usually hedged by interest rate swaps and, in limited cases, by forward rate agreements.

Counterparties to these agreements are major and diverse financial institutions.

Information on the fair value of derivative financial instruments held at the balance sheet date is provided in Note 18 "Derivative assets and Derivative liabilities".

Currency risk

We are exposed to risk resulting from changes in exchange rates, which can affect our earnings and invested equity.

Where one of our subsidiaries incurs costs in a currency different from that of its revenues, any change in exchange rates can affect the profit/(loss) of that company. In 2025 the total net trade flows exposed to currency risk amounted to the equivalent of 11% of our revenue (14% in 2024).

The principal exchange rates to which we are exposed are the following:

- EUR/GBP, predominately in relation to sales on the UK market
- EUR/BRL, predominately in relation to import on the Brazilian market
- EUR/TRY, predominately in relation to sales on the Türkiye market
- EUR/PLN, predominately in relation to sales on the Polish market
- EUR/CZK, predominately in relation to the production of Bus in Czech Republic
- ARS/USD, in relation to purchases from Europe.

Trade flows already hedged and not exposed to changes in these exchange rates in 2025 made up approximately 64% (74% in 2024) of the exposure to currency risk from trade transactions.

It is the Group's policy to use derivative financial instruments to hedge a pre-determined percentage, on average between 55% and 85%, of the forecasted trading transaction exchange risk exposure for the coming 12 months with additional flexibility to reach 0% or 100% (including risk beyond that date where it is believed to be appropriate) and to hedge completely the exposure resulting from firm commitments.

Group's subsidiaries may hold trade receivables or payables denominated in a currency different from the subsidiary's functional currency. In addition, in a limited number of cases, subsidiaries may obtain financing or use funds in a currency different from their functional currency. Changes in exchange rates may result in exchange gains or losses arising from these situations. It is our policy to hedge fully, whenever possible, the exposure resulting from receivables, payables and securities denominated in foreign currencies different from the subsidiary's functional currency.

Group's subsidiaries may have functional currency different from the euro, which is the Group presentation currency. The income statements of those subsidiaries are converted into euros using the average exchange rate for the period, and while revenues and margins are unchanged in local currency, changes in exchange rates may lead to effects on the converted balances of revenues, costs and the results reported in euros.

The assets and liabilities of consolidated companies whose functional currency is different from the euro may acquire converted values in euros which differ as a function of the fluctuation in exchange rates. The effects of these changes are recognised directly in the Cumulative Translation Adjustments reserve, included in Other comprehensive income (see Note 21).

We monitor our principal exposure to translation exchange risk, although there was no specific hedging in place at 31 December 2025. There were no substantial changes in 2025 in the nature or structure of exposure to currency risk or in our hedging policies.

Sensitivity analysis

The potential loss in fair value of derivative financial instruments held for currency risk management (currency swaps/forwards, currency options, interest rate and currency swaps) at 31 December 2025 resulting from a hypothetical change of 10% in the exchange rates amounts to approximately €193 million (€267 million at 31 December 2024). The valuation model for currency options assumes that market volatility at year-end remains unchanged.

The underlying transactions (consisting of receivables, payables, and future trade flows) for which we put in place, as hedging transactions, the derivative financial instruments analysed in the above mentioned sensitivity analysis, were not considered. It is reasonable to assume that changes in exchange rates will produce the opposite effect, of an equal or greater amount, on the underlying transactions that have been hedged.

Interest rate risk

Our Industrial Activities make use of external funds obtained in the form of financing and invest in monetary and financial market instruments. In addition, we sell receivables. Changes in market interest rates can affect the cost of financing, including the sale of receivables, or the return on investments of funds, causing an impact on the level of net financial expenses incurred by us.

In addition, Financial Services provides loans (mainly to customers and dealers), financing themselves primarily using various forms of external borrowings or asset-backed financing (e.g., securitisation of receivables). Where the characteristics of the variability of the interest rate applied to loans granted differ from those of the variability of the cost of the financing/funding obtained, changes in the current level of interest rates can affect our profit/(loss).

In order to mitigate these risks, we use interest rate derivative financial instruments, mainly interest rate swaps and forward rate agreements.

Sensitivity analysis

In assessing the potential impact of changes in interest rates, we separate fixed rate financial instruments (for which the impact is assessed in terms of fair value) from floating rate financial instruments (for which the impact is assessed in terms of cash flows).

The fixed rate financial instruments used by us consist of retail receivables, debt, asset-backed securitisations, and other instruments.

The potential loss in fair value of fixed rate financial instruments (including the effect of interest rate derivative financial instruments) held at 31 December 2025, resulting from a hypothetical, unfavourable and instantaneous change of 10% in market interest rates, would have been approximately €6 million (€4 million at 31 December 2024).

Floating rate financial instruments consist principally of cash and cash equivalents, wholesale receivables, debt, and asset-backed securitisations. The effect of the sale of receivables is also considered in the sensitivity analysis as well as the effect of hedging derivative instruments. This analysis doesn't include cash and cash equivalent from hyperinflationary countries which could have distorting effects on the results of the analysis and the change in fair value of foreign exchange rate derivatives instruments.

A hypothetical change of 10% in short-term interest rates at 31 December 2025, applied to floating rate financial assets and liabilities, operations for the sale of receivables and derivative financial instruments, would have caused increased net expenses before taxes, on an annual basis, of approximately €7 million (€8 million at 31 December 2024).

This analysis is based on the assumption that there is a hypothetical change of 10% in interest rates across homogeneous categories. A homogeneous category is defined on the basis of the currency in which the financial assets and liabilities are denominated.

Other risks on derivative financial instruments

We have entered limited derivative contracts linked to commodity prices to hedge specific exposures on supply contracts.

Sensitivity analysis

In the event of a hypothetical change of 10% in the underlying raw materials prices, the potential loss in fair value of outstanding derivative financial instruments at 31 December 2025 linked to commodity prices would not have been significant (not significant at 31 December 2024).

31. Fair value measurement

Fair value levels presented below are described in the "Accounting policies – Fair value measurement" section of these Notes.

Assets and liabilities measured at fair value on a recurring basis

The following table presents, for each of the fair value hierarchy levels, the assets and liabilities that are measured at fair value on a recurring basis at 31 December 2025 and 2024:

	At 31 December 2025				
<i>(€ million)</i>	Note	Level 1	Level 2	Level 3	Total
Equity investments measured at fair value through other comprehensive income	(14)	—	—	9	9
Other investments	(14)	—	—	3	3
Derivative assets	(18)	—	14	—	14
Total Assets		—	14	12	26
Derivative liabilities	(18)	—	21	—	21
Total Liabilities		—	21	—	21

	At 31 December 2024				
<i>(€ million)</i>	Note	Level 1	Level 2	Level 3	Total
Equity investments measured at fair value through other comprehensive income	(14)	—	—	10	10
Other investments	(14)	—	—	3	3
Derivative assets	(18)	—	23	—	23
Total Assets		—	23	13	36
Derivative liabilities	(18)	—	61	—	61
Total Liabilities		—	61	—	61

The following table provides a reconciliation from the opening balance to the closing balance for fair value measurements categorised in Level 3 of fair value in 2025 and 2024:

(€ million)	2025	2024
At 1 January	13	25
Other changes	(1)	(12)
At 31 December	12	13

The fair value of equity investments categorised within Level 1 is determined by reference to their quoted market price at the reporting date. A market is regarded as active if quoted prices are readily and regularly, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

A description of the valuation techniques used to determine the fair value of derivative financial instruments, categorised within Level 2, is included in Note 18 "Derivative assets and Derivative liabilities".

Instruments included in Level 3 comprised primarily equity investments for which there is no quoted market price in an active market and there is insufficient financial information in order to determine fair value, and cost is used as an estimate of fair value.

Assets and liabilities not measured at fair value

The estimated fair values for financial assets and liabilities that are not measured at fair value in the statement of financial position at 31 December 2025 and 2024 are as follows:

At 31 December 2025						
(€ million)	Note	Level 1	Level 2	Level 3	Total Fair Value	Carrying amount
Retail financing	(17)	—	—	4	4	4
Dealer financing	(17)	—	—	4,702	4,702	4,703
Finance leases	(17)	—	—	50	50	51
Other receivables from financing activities	(17)	—	—	73	73	73
Total Receivables from financing activities⁽¹⁾		—	—	4,829	4,829	4,831
Asset-backed financing	(24)	—	3,166	—	3,166	3,166
Borrowings from banks	(24)	—	2,270	—	2,270	2,274
Payables represented by securities	(24)	—	59	—	59	59
Lease liabilities	(24)	—	—	189	189	189
Other debt ⁽²⁾	(24)	—	63	310	373	373
Total Debt		—	5,558	499	6,057	6,061

(1) At 31 December 2025, Receivables from financing activities includes €285 million of financial receivables from CNH classified as Level 3.

(2) At 31 December 2025, Other debt includes €165 million of financial payables to CNH classified as Level 3. It also includes €164 million of net financial payables to Discontinued Operations classified as Level 3.

At 31 December 2024						
(€ million)	Note	Level 1	Level 2	Level 3	Total Fair Value	Carrying amount
Retail financing	(17)	—	—	26	26	26
Dealer financing	(17)	—	—	5,006	5,006	5,007
Finance leases	(17)	—	—	55	55	57
Other receivables from financing activities	(17)	—	—	96	96	95
Total Receivables from financing activities⁽¹⁾		—	—	5,183	5,183	5,185
Asset-backed financing	(24)	—	3,558	—	3,558	3,558
Borrowings from banks	(24)	—	2,344	—	2,344	2,344
Payables represented by securities	(24)	—	35	—	35	35
Lease liabilities	(24)	—	—	199	199	199
Other debt ⁽²⁾	(24)	—	19	151	170	170
Total Debt		—	5,956	350	6,306	6,306

(1) At 31 December 2024, Receivables from financing activities included €220 million of financial receivables from CNH classified as Level 3.

(2) At 31 December 2024, Other debt included €151 million of financial payables to CNH classified as Level 3.

Receivables from financing activities

The fair value of Receivables from financing activities is based on the discounted values of their related cash flows at market discount rates that reflect conditions applied in various reference markets on receivables with similar characteristic, adjusted to take into account the credit risk of the counterparties.

Debt

The fair value of Asset-backed financing, Borrowings from banks, Payable represented by securities and Other debt are included in the Level 2 and has been estimated based on discounted cash flows analysis using the current market interest rates at year-end adjusted for the Group non-performance risk over the remaining term of the financial liability.

The fair value of Lease liabilities classified within Level 3 of the fair value hierarchy has been estimated using discounted cash flow models that require significant adjustments using unobservable inputs.

Other financial assets and liabilities

The carrying amount of Cash at banks, Restricted cash, Other cash equivalents, Trade receivables, Other current receivables and financial assets, Trade payables and Other liabilities included in the Consolidated Statement of Financial Position approximates their fair value, due to the short maturity of these items.

32. Related party transactions

In accordance with IAS 24 – *Related Party Disclosures*, Iveco Group's related parties are companies and persons capable of exercising control, joint control or significant influence over the Group. As of 31 December 2025 and 2024, related parties included Iveco Group's parent company Exor N.V. (which is controlled by Giovanni Agnelli B.V.) and its subsidiaries and affiliates, including CNH, Stellantis N.V. and its subsidiaries and affiliates (Stellantis), and Iveco Group's unconsolidated subsidiaries, associates or joint ventures. In addition, the members of the Board of Directors and managers of Iveco Group with strategic responsibility and members of their families were also considered related parties.

As of 31 December 2025, based on public information available and in reference to Company's files, Exor N.V. held 42.5% of Iveco Group's voting power and had the ability to significantly influence the decisions submitted to a vote of Iveco Group's shareholders, including approval of annual dividends, the election and removal of directors, mergers or other business combinations, the acquisition or disposition of assets, and issuances of equity and the incurrence of indebtedness. The percentage above has been calculated as the ratio of (i) the aggregate number of Common Shares and Special Voting Shares owned by Exor N.V. to (ii) the aggregate number of outstanding Common Shares and Special Voting Shares of Iveco Group N.V. as of 31 December 2025.

In addition, Iveco Group engages in transactions with its unconsolidated subsidiaries, joint ventures, associates and other related parties on commercial terms that are normal in the respective markets, considering the characteristics of the goods or services involved. The Company's Audit Committee reviews and evaluates related party transactions pursuant to the specific Policy posted on the Company's website.

Transactions with Exor N.V. and its subsidiaries and affiliates

Iveco Group did not enter into any significant transactions with Exor N.V. during the years ended 31 December 2025 and 2024.

Transactions with CNH

Iveco Group and CNH entered into agreements, primarily of commercial nature, but also covering general administrative and specific technical matters as well as services provided by CNH as follows:

Master Service Agreement: in relation to lease of premises and several corporate services provided by Iveco Group to CNH or vice versa, Iveco Group and CNH entered into a Master Services Agreement (MSA) whereby each party (and its subsidiaries) may provide services to the other (and its subsidiaries), in substantial continuity with previous practices.

Engine Supply Agreement: in relation to the design and supply of off-road engines from Iveco Group to CNH, Iveco Group and CNH entered into a ten-year Engine Supply Agreement (ESA) whereby Iveco Group sells to CNH diesel, CNG and LNG engines and provide post-sale services.

Financial Service Agreement: in relation to certain financial services activities carried out by either Iveco Group to CNH or vice versa, in connection with the execution of the Demerger Deed, Iveco Group and CNH entered into a three-year Master Services Agreement (FS MSA), renewed until 2027, whereby each party (and its subsidiaries) may provide services and/or financial services activities to the other (and its subsidiaries). Services provided under the FS MSA relate mainly to wholesale and retail financing activities to suppliers, distribution network and customers.

The transactions with CNH are reflected in the Consolidated Financial Statements as follows:

<i>(€ million)</i>	2025	2024
Net revenues	656	764
Cost of sales	61	92
Financial expenses	18	9

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Trade receivables	16	30
Receivables from financing activities	285	220
Debt	165	151
Trade payables	27	23

Other transactions with Exor's subsidiaries and affiliates

During 2025 and 2024, transactions entered by Iveco Group with Stellantis' subsidiaries primarily related to the purchase of engine components.

These transactions are reflected in the Consolidated Financial Statements as follows:

<i>(€ million)</i>	2025	2024
Net revenues	7	37
Cost of sales	77	83
Selling, general and administrative costs	1	25

<i>(€ million)</i>	At 31 December 2025	At 31 December 2024
Trade receivables	—	1
Trade and other payables ^(*)	69	25

^(*) Including commitments deriving from the agreement signed in May 2025 with Stellantis in the context of a collaboration for the supply of two electric IVECO-branded vans.

Transactions with joint ventures

Iveco Group sells vehicles and provides technical services to joint ventures such as IVECO - OTO MELARA Società Consortile a responsabilità limitata, a joint venture of Discontinued Operations.

Net revenues from joint ventures were €120 million in 2025 (€117 million in 2024) and trade receivables from joint ventures were nil at 31 December 2025 (€8 million at 31 December 2024). Advances from IVECO - OTO MELARA Società Consortile a responsabilità limitata amounted to €193 million at 31 December 2025 and were included in "Liabilities held for sale - Discontinued Operations" in the Consolidated Statement of Financial Position at the same date. Advances from IVECO - OTO MELARA Società Consortile a responsabilità limitata amounted to €137 million at 31 December 2024.

At 31 December 2025 and 2024, Iveco Group had provided guarantees on commitments of its joint ventures for an amount of €326 million and €259 million, respectively, mainly related to IVECO - OTO MELARA Società Consortile a responsabilità limitata.

Transactions with associates

Iveco Group sells trucks and commercial vehicles and provides services to associates. In 2025, revenues from associates were €18 million (€71 million in 2024). In 2025, cost of sales from associates were €8 million (€13 million in 2024). At 31 December 2025, receivables from associates amounted to €10 million (€9 million at 31 December 2024). Trade payables to associates amounted to €24 million at 31 December 2025 (€28 million at 31 December 2024). At 31 December 2025 and 2024, Iveco Group had provided guarantees on commitments of its associates for an amount of €213 million and €219 million, respectively, related to CNH Industrial Capital Europe S.a.S.

Transactions with unconsolidated subsidiaries

In the years ended 31 December 2025 and 2024, there were no material transactions with unconsolidated subsidiaries.

Compensation to Key Management Personnel

The Company considers the members of the Board of Directors and the Senior Leadership Team to be the key management personnel as defined in IAS 24 - *Related Party Disclosures*.

The fees of the Directors (Executives and Non-Executives) of Iveco Group N.V. for carrying out their respective functions, including those in other consolidated legal entities and the notional compensation cost arising for share-based payments awarded to Executive Directors, amounted to an expense of €5 million in 2025 (expense of €4 million in 2024, partially offset by €3 million income related to the reversal for forfeitures of certain previously granted share-based awards). Details on the remuneration of Directors are given in the Remuneration Report.

The aggregate expense incurred for the compensation of the Senior Leadership Team (excluding the Chief Executive Officer, which is included in the Directors' compensation above) amounted to €12 million in 2025 (€13 million in 2024) and included €6 million (€10 million in 2024) for short-term employee benefits, €5 million (€2 million in 2024) for share-based payments and €1 million for termination benefits (€1 million in 2024). No expense for post-employment and other long-term benefits was included in both 2025 and 2024.

33. Explanatory notes to the statement of cash flows

The statement of cash flows sets out changes in cash and cash equivalents during the year. As required by IAS 7 - *Cash Flow Statements*, cash flows are separated into operating, investing and financing activities. The effects of changes in exchange rates on cash and cash equivalents are shown separately under the line item Translation exchange differences.

The Consolidated Statement of Cash Flows is presented using the indirect method. Starting from 2025, changes in receivables from financing activities, previously included in the Cash flows from/(used in) investing activities, have been included in the Cash flows from/(used in) operating activities to improve comparability with Iveco Group peers. Figures for the year ended 31 December 2024 have been reclassified consistently.

The Group presents supplemental discussion and disclosure regarding the statement of cash flows for the purpose of additional analysis. Items discussed below are reflected within the Consolidated Statement of Cash Flows either on an aggregate or net basis, and accordingly have been discussed further as set forth below.

The cash flows for income tax payments net of refunds amounted to €82 million in 2025 (€141 million in 2024).

Total interest of €303 million was paid and interest of €218 million was received in 2025 (interest of €370 million was paid and interest of €281 million was received in 2024, respectively).

Operating activities

Cash flows from/(used in) operating activities mainly derive from the Group's main revenue producing activities.

Cash generated from the sale of vehicles under buy-back commitments, net of amounts included in Profit/(loss) for the period, is recognised under operating activities in a single line item, which includes capital expenditure, depreciation and impairment losses, and related operating activities changes.

Cash from operating lease is recognised under operating activities in a single line item, which includes capital expenditure, depreciation, write-downs and changes in inventory.

Cash flows from/(used in) operating activities include change in receivables from financing activities that may be analysed as follows:

(€ million)	2025	2024
Changes from dealer financing	304	534
Changes from retail financing	28	(15)
Changes from other receivables from financing activities	14	8
Changes in receivables from financing activities	346	527

In 2025, liquidity generated by the decrease in receivables from financing activities was primarily a result of changes in the wholesale portfolio.

Investing activities

Cash flows from/(used in) investing activities represent the extent to which expenditures have been made for resources intended to generate future income and cash flows. Only expenditures resulting in an asset recognised in the balance sheet are classified as investing activities in the statement of cash flows.

Investments in Property, plant and equipment and intangible assets is further broken down as follows:

(€ million)	2025	2024
Intangible assets	(514)	(557)
Property, plant and equipment	(261)	(357)
Investments in Property, plant and equipment and intangible assets	(775)	(914)

For consideration for the acquisition and disposal of subsidiaries and of other investments, see section "Business Combinations" above and to Note 14.

Financing activities

Change in derivative assets/liabilities consists of derivative financial instruments measured at fair value at the balance sheet date, as discussed in Note 18 above.

Reconciliation of changes in liabilities arising from financing activities may be analysed as follows:

<i>(€ million)</i>	2025	2024
Total Debt at beginning of year	6,306	6,100
Derivative (assets)/liabilities at beginning of year	38	14
Total liabilities from financing activities at beginning of year	6,344	6,114
Net cash flows:		
Cash receipts from long-term financing liabilities	424	1,364
Repayment of long-term financing liabilities	(559)	(739)
Net cash receipts from/(repayment of) short-term financing liabilities	(339)	(409)
Change in derivative assets/liabilities	(73)	8
Total Net cash flows	(547)	224
Non-monetary impacts:		
Change in lease liabilities	74	94
Impacts of derivative financial instruments on other comprehensive income	38	9
Reclassification to Discontinued Operations	157	(7)
Exchange rate differences	(3)	(7)
Other changes	5	(83)
Total Non-monetary impacts	271	6
Total liabilities from financing activities at end of year	6,068	6,344
Of which:		
Total Debt at end of year	6,061	6,306
Derivative (assets)/liabilities at end of year	7	38

34. Subsequent events

Iveco Group has evaluated subsequent events through 4 March 2026, which is the date the Consolidated Financial Statements were authorised for issuance, and noted the following:

- on 23 January 2026, the Group announced that the corporate carve-out of the Defence Business (IDV and ASTRA brands) was completed in 2025 and the required regulatory approval processes are in progress as expected

- on 11 February 2026, the Group announced that an extraordinary general meeting (EGM) of its shareholders will be held in Amsterdam on 25 March 2026. The EGM will be asked to approve that the Board of Directors, subject to completion of the sale of the Defence Business to Leonardo S.p.A. (the "Sale Transaction"), resolve upon the extraordinary interim dividend distribution of the net proceeds of the Sale Transaction (the "Interim Dividend Distribution"). The estimated extraordinary dividend is expected at € 5.5-6.0 per common share. Payment is currently anticipated in April 2026 after contractual closing adjustments are finalised, in line with the standard ex-dividend date of 20 April on the Italian Stock Exchange calendar. As a precautionary measure, in case the Sale Transaction is expected not to be completed by 31 March 2026, the EGM will be asked to vote on the statutory demerger of Iveco Group, which would transfer the Defence Business into IDV Group N.V. ("IDV Group"), a company newly incorporated under Dutch law (the "Demerger"). The common and special voting shares of IDV Group would be proportionally allotted to Iveco Group shareholders existing at the time of the Demerger, with common shares listed and traded on Euronext Milan ("Admission"). The Board of Directors reserves the right to remove the discussion of the Interim Dividend Distribution from the agenda of the EGM in case it becomes evident prior to the EGM that the Sale Transaction will not be completed ultimately on 31 March 2026. On the other hand, the Board of Directors reserves the right to remove the discussion of the Demerger in case it becomes evident prior to the EGM that the Sale Transaction has been completed or will be completed.

35. Companies included in the scope of the Consolidated Financial Statements

The main legal entities comprising the Iveco Group at 31 December 2025, including major subsidiaries, joint ventures and associates, included in Continuing Operations are provided below:

Name of legal entity	Country of Incorporation	Percentage Interest Held
SUBSIDIARIES CONSOLIDATED LINE-BY-LINE		
Altra S.p.A.	Italy	100.00%
Amce-Automotive Manufacturing Co.Ethiopia Share Company	Ethiopia	69.99%
Dolphin N2 Limited	United Kingdom	100.00%
EVCO GmbH	Germany	100.00%
Fiat Powertrain Technologies (Chongqing) Co., Ltd.	People's Rep.of China	100.00%
Fiat Powertrain Technologies Management (Shanghai) Co. Ltd.	People's Rep.of China	100.00%
Fiat Powertrain Technologies of North America, Inc.	USA	100.00%
FPT - Powertrain Technologies France S.A.S.	France	100.00%
FPT ARGENTINA S.A.	Argentina	100.00%
FPT INDUSTRIAL BRASIL LTDA.	Brazil	100.00%
FPT Industrial S.p.A.	Italy	100.00%
FPT Motorenforschung AG	Switzerland	100.00%
Heuliez Bus S.A.S.	France	100.00%
IAV-Industrie-Anlagen-Verpachtung GmbH	Germany	100.00%
IC Financial Services S.A.	France	100.00%
IC Financial Services UK Limited	United Kingdom	100.00%
IC Nordics A/S	Denmark	100.00%
IDV Group N.V.	Netherlands	100.00%
Iveco (China) Commercial Vehicle Sales Co. Ltd	People's Rep.of China	100.00%
Iveco (Schweiz) AG	Switzerland	100.00%
Iveco Arac Sanayi VE Ticaret A.S.	Türkiye	100.00%
IVECO ARGENTINA S.A.	Argentina	100.00%
Iveco Austria GmbH	Austria	100.00%
Iveco Bayern GmbH	Germany	100.00%
Iveco Belgium N.V.	Belgium	100.00%

Name of legal entity	Country of Incorporation	Percentage Interest Held
IVECO CAPITAL BULGARIA EAD	Bulgaria	100.00%
Iveco Capital Services S.R.L.	Romenia	100.00%
Iveco Capital Slovakia s.r.o.	Slovak Republic	100.00%
Iveco Capital Solutions S.p.A.	Italy	100.00%
Iveco Czech Republic A.S.	Czech Republic	100.00%
IVECO Deutschland AG	Germany	100.00%
Iveco Espana S.L.	Spain	100.00%
Iveco Est S.A.S.	France	100.00%
Iveco France S.A.S.	France	100.00%
IVECO Group Korea LLC	South Korea	100.00%
Iveco Group Services (Thailand) Limited	Thailand	100.00%
Iveco Group Switzerland SA	Switzerland	100.00%
Iveco Holdings Limited	United Kingdom	100.00%
Iveco Investitions GmbH	Germany	100.00%
Iveco Limited	United Kingdom	100.00%
Iveco Nederland B.V.	Netherlands	100.00%
Iveco Nord Nutzfahrzeuge GmbH	Germany	100.00%
Iveco Nord-Ost Nutzfahrzeuge GmbH	Germany	100.00%
Iveco Norge A.S.	Norway	100.00%
Iveco Otomotiv Ticaret A.S.	Türkiye	100.00%
Iveco Participations S.A.S.	France	100.00%
Iveco Pension Trustee Ltd	United Kingdom	100.00%
Iveco Poland Sp. z o.o.	Poland	100.00%
Iveco Portugal-Comercio de Veiculos Industriais S.A.	Portugal	100.00%
Iveco Provence S.A.S.	France	100.00%
Iveco Retail Limited	United Kingdom	100.00%
Iveco Romania S.r.l.	Romenia	100.00%
Iveco S.p.A.	Italy	100.00%
IVECO SA (PTY) LTD	South Africa	100.00%
Iveco Slovakia, s.r.o.	Slovak Republic	100.00%
Iveco Sud-West Nutzfahrzeuge GmbH	Germany	100.00%
Iveco Truck Centrum s.r.o.	Czech Republic	100.00%
Iveco Truck Services S.R.L.	Romenia	100.00%
IVECO Trucks Australia Pty. Ltd.	Australia	100.00%
Iveco Ukraine LLC	Ukraine	100.00%
Iveco West Nutzfahrzeuge GmbH	Germany	100.00%
IVG BRASIL LTDA.	Brazil	100.00%
Liegenschaftsverwaltung Weisweil GmbH	Germany	100.00%
Mediterranea de Camiones S.L.	Spain	100.00%
Officine Brennero S.p.A.	Italy	100.00%

Name of legal entity	Country of Incorporation	Percentage Interest Held
OOO Iveco Russia	Russia	100.00%
Potenza Technology Holdings Limited	United Kingdom	100.00%
Potenza Technology Limited	United Kingdom	100.00%
SAIC Fiat Powertrain Hongyan Co. Ltd.	People's Rep.of China	60.00%
Seddon Atkinson Vehicles Ltd	United Kingdom	100.00%
Société Charolaise de Participations S.A.S.	France	100.00%
Transolver Service S.A.	Spain	100.00%
Zona Franca Alari Sepauto S.A.	Spain	51.87%

JOINTLY-CONTROLLED ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD

CIFINS S.p.A. ⁽¹⁾	Italy	50.00%
Iveco Orecchia S.p.A.	Italy	50.00%

SUBSIDIARIES VALUED AT FVTPL

FPT INDUSTRIAL INDIA PRIVATE LIMITED	India	100.00%
Blitz S19-499 GmbH	Germany	100.00%
TORINO IMMOBILIARIA, C.A.	Venezuela	100.00%

ASSOCIATED COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

CNH Industrial Capital Europe S.A.S. ⁽²⁾	France	24.95%
GATE Mobility B.V.	Netherlands	49.00%
IC SOLUTIONS EUROPE S.A.S.	France	24.95%
Transolver Finance Establecimiento Financiero de Credito S.A.	Spain	49.00%

ASSOCIATED COMPANIES VALUED AT FVTPL

CODEFIS Società consortile per azioni	Italy	28.00%
Sotra S.A.	Ivory Coast	39.80%
Trucks & Bus Company	Libya	25.00%

OTHER COMPANIES VALUED AT FVTPL

Naveco (Nanjing IVECO Motor Co.) Ltd.	People's Rep.of China	19.90%
---------------------------------------	-----------------------	--------

(1) After the Demerger CIFINS S.p.A. is owned 50.00% by Iveco Group and 50.00% by CNH.

(2) This percentage represents the interest held by Iveco Group through its 50% interest in CIFINS S.p.A.

The subsidiaries included in Discontinued Operations at 31 December 2025 are as follows:

Name of legal entity	Country of Incorporation	Percentage Interest Held
SUBSIDIARIES CONSOLIDATED LINE-BY-LINE		
Astra Veicoli Industriali S.p.A.	Italy	100.00%
IDV Brasil Ltda.	Brazil	100.00%
IDV Defence Vehicles España S.L.	Spain	100.00%
IDV Defence Vehicles France S.A.S.	France	100.00%
IDV Defence Vehicles Italia S.p.A.	Italy	100.00%
IDV DEFENCE VEHICLES ROMANIA S.R.L.	Romania	100.00%
IDV DEFENCE VEHICLES UK LTD	United Kingdom	100.00%
IDV Deutschland GmbH	Germany	100.00%
IDV Group S.r.l.	Italy	100.00%
IDV Nederland B.V.	Netherlands	100.00%
IDV USA Inc.	USA	100.00%
Italwatt S.r.l.	Italy	100.00%
JOINTLY-CONTROLLED ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD		
IVECO - OTO MELARA Società Consortile a responsabilità limitata	Italy	50.00%

4 March 2026

The Board of Directors

Suzanne Heywood

Olof Persson

Lorenzo Simonelli

Judy Curran

Tufan Erginbilgic

Clara Fain

Essimari Kairisto

Linda Knoll

Alessandro Nasi

IVECO GROUP N.V. COMPANY FINANCIAL STATEMENTS

At 31 December 2025

INCOME STATEMENT

<i>(in euro thousand)</i>	Note	2025	2024
Selling, general and administrative costs	(1)	(93,636)	(98,634)
Other operating income	(2)	78,932	81,548
Other operating expenses	(3)	(58,464)	(21,879)
Financial income	(4)	431,055	468,925
Financial expenses	(5)	(499,459)	(559,585)
PROFIT/(LOSS) BEFORE TAXES		(141,572)	(129,625)
Income tax benefit (expense)	(6)	9,552	24,449
Result from Investments in Group companies and other equity interests	(7)	420,778	454,357
NET PROFIT/(LOSS)		288,758	349,181

STATEMENT OF FINANCIAL POSITION

(BEFORE ALLOCATION OF THE RESULT)

<i>(in euro thousand)</i>	Note	At 31 December 2025	At 31 December 2024
ASSETS			
Intangible assets	(9)	26,250	19,297
Property, plant and equipment	(10)	2,063	2,605
Financial fixed assets	(11)	5,947,352	5,866,948
Investments in Group companies and other equity interests		5,253,394	5,025,437
Other financial assets		693,958	841,511
Deferred tax assets	(12)	17,581	11,601
Total Non-current assets		5,993,246	5,900,451
Trade receivables	(13)	100,469	112,911
Other current assets	(14)	143,478	88,782
Current financial receivables	(15)	857,882	960,381
Derivative assets	(16)	24,927	60,000
Cash and cash equivalents	(17)	2,107,849	2,198,673
Total Current assets		3,234,605	3,420,747
TOTAL ASSETS		9,227,851	9,321,198
EQUITY, PROVISIONS AND LIABILITIES			
Share capital		3,455	3,455
Treasury shares		(43,539)	(63,546)
Capital reserve		2,271,080	2,290,666
Legal reserves: cumulative translation adjustment reserve/OCI		(672,389)	(687,402)
Legal reserves: Other		1,971,100	1,838,273
Retained profit/(loss)		(1,058,495)	(1,031,453)
Profit/(loss) for the year		288,758	349,181
Total Equity	(18)	2,759,970	2,699,174
Provision for employee benefits	(19)	15,559	6,953
Other provisions	(20)	17,000	—
Total Provisions		32,559	6,953
Non-current financial liabilities	(21)	1,225,823	1,325,563
Total Non-current financial liabilities		1,225,823	1,325,563
Trade payables	(22)	56,956	42,737
Current financial liabilities	(21)	5,028,383	5,135,389
Derivatives liabilities	(23)	22,736	61,911
Other current liabilities	(24)	101,424	49,471
Total Current liabilities		5,209,499	5,289,508
TOTAL EQUITY, PROVISIONS AND LIABILITIES		9,227,851	9,321,198

NOTES TO THE COMPANY FINANCIAL STATEMENTS

CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Iveco Group N.V. (the "Company" and, together with its subsidiaries, the "Iveco Group" or the "Group") was incorporated as a public limited company (*naamloze vennootschap*) under the laws of the Netherlands on 16 June 2021. The Company's corporate seat is in Amsterdam, the Netherlands, and its principal office and business address is Via Puglia n. 35, Turin, Italy. The Company is registered with the trade register of the Chamber of Commerce of the Netherlands (*Kamer van Koophandel*) under number 83102701. The Netherlands is the Company's home member state for the purposes of the EU Transparency Directive (Directive 2004/109/EC, as amended by Directive 2013/50/EU). Unless otherwise indicated or the context otherwise requires, the terms "we", "us" and "our" refer to Iveco Group N.V. together with its subsidiaries.

The Company was formed in the context of the separation ("the Demerger") of the Commercial and Specialty Vehicles business, the Powertrain business as well as the related Financial Services business from CNH Industrial N.V. The Demerger became effective on 1 January 2022, and the Company ultimately began to act as a holding for the Iveco Group, also providing for central treasury activity in the interest of Group's subsidiaries.

On 3 January 2022, the Company's Common Shares started trading on Euronext Milan, a regulated market operated by Borsa Italiana S.p.A. in Milan, Italy. As a result of the listing, the Company became a Dutch Public Interest Entity (OOB) on 3 January 2022.

At 31 December 2025, Iveco Group N.V. had 211 employees. Their breakdown by category was as follows:

	At 31 December 2025		At 31 December 2024	
	Number	%	Number	%
Managers, senior professionals & above	109	51.66 %	107	51.94 %
Professionals	78	36.97 %	76	36.89 %
Associates	24	11.37 %	23	11.17 %
Total number of employees	211		206	

At 31 December 2025, none of the employees is based in the Netherlands, but they are mostly based in Italy.

MERGER AGREEMENT WITH TATA MOTORS

On 30 July 2025, Iveco Group and Tata Motors Limited ("Tata Motors"), a global automotive leader, announced that they had reached an agreement on an envisaged recommended voluntary tender offer (the "Offer") to create a commercial vehicles group with the reach, product portfolio and industrial capability to be a global champion in this dynamic sector. The completion of the offer is conditional, *inter alia*, on the separation of Iveco Group's Defence business and, as such, the public offer is for all issued common shares of Iveco Group after the separation of that business, at a price of €14.1 (*cum dividend*, excluding any dividend distributed in relation to the sale of the Defence business) per share in cash (the "Offer Price"). The Offer represents a total consideration of approximately €3.8 billion for Iveco Group, excluding Iveco Group's Defence business and the net proceeds from the Defence business separation. The Iveco Group Board of Directors unanimously and fully supported the Offer and recommended the Offer for acceptance by the shareholders of Iveco Group. Exor N.V., Iveco Group's largest shareholder, has irrevocably committed to support the Offer and tender its shareholding representing approximately 27.06% of Iveco Group's common shares and 43.11% of all voting rights. The Offer is subject to obtaining the required merger control, foreign direct investment, EU Foreign Subsidies Regulation and financial regulatory clearances, and is expected to complete in the first half of 2026.

BASIS OF PREPARATION AND ACCOUNTING POLICIES

Date of authorization of issue

The Company Financial Statements of Iveco Group N.V. (the "Company Financial Statements") for the year ended 31 December 2025 (and 31 December 2024), together with the Notes thereto were authorized for issuance by the Board of Directors on 4 March 2026.

Statement of Compliance

The Company Financial Statements have been prepared in accordance with the legal requirements of Part 9 of Book 2 of the Dutch Civil Code. In particular, Section 362 (8), Book 2, Dutch Civil Code, allows companies that apply EU-IFRS in their Consolidated Financial Statements to use the same measurement principles in their Company Financial Statements. The accounting policies are described in a specific section, "Accounting policies", of the Consolidated Financial Statements included in this Annual Report. In these Company Financial Statements, investments in subsidiaries are accounted for using the equity method.

Receivables are mainly referred to subsidiaries. The accounting policy on trade and other receivables is included in note "Accounting policies" of the Notes to the Consolidated Financial Statements. The expected credit losses, if any, are accounted as a reduction in the carrying amount of these receivables.

The Company Financial Statements are prepared on a going concern basis.

Presentation and Format of the Company Financial Statements

Except as otherwise indicated, the Company Financial Statements are presented in euro, which is the Company's functional and presentation currency. The Company presents its Income Statement using a classification based on the function of expenses (otherwise known as "cost of sales" method), rather than one based on their nature as this is believed to provide information that is more relevant.

Refer to the Section "Accounting policies" of the Consolidated Financial Statements included in this Annual Report for notes on the uncertainty on evolution of certain macro-economic dynamics.

COMPOSITION AND PRINCIPAL CHANGES

1. Selling, general and administrative costs

The Selling, general and administrative costs of €93,636 thousand in 2025 (€98,634 thousand in 2024) mainly comprise:

- personnel costs of €36,883 thousand in 2025 (€35,238 thousand in 2024)
- ICT expenses of €22,044 thousand in 2025 (€21,113 thousand in 2024)
- administrative costs of €34,709 thousand in 2025 (€42,283 thousand in 2024), mainly marketing, advertising, membership fees and other professional costs, net of certain intercompany recharges due to services provided to Group subsidiaries.

2. Other operating income

Other operating income are €78,932 thousand in 2025 (€81,548 thousand in 2024) and refer to amounts invoiced to Group companies as compensation for management and other services rendered for the benefit of such companies.

3. Other operating expenses

The following table summarises Other operating expenses for the years ended 31 December 2025 and 2024:

<i>(in euro thousand)</i>	2025	2024
Professional costs	12,066	19,146
Defence business separation costs	16,019	—
Merger Agreement transaction costs	28,497	—
Other	1,882	2,733
Total Other operating expenses	58,464	21,879

Professional costs amount to €12,066 thousand in 2025 (€19,146 thousand in 2024) and primarily refer to intercompany recharges from Group companies, strategic consulting expenses and legal expenses.

Defence business separation costs amount to €16,019 thousand in 2025 (nil in 2024) and relate to the activities performed to separate the Defence business from Iveco Group.

Merger Agreement transaction costs amount to €28,497 thousand in 2025 (nil in 2024) and were incurred in connection with the agreement with Tata Motors.

The item Other in 2025 includes restructuring expenses of €262 thousand, representing the total costs associated to certain fundamental organisational changes (€846 thousand in 2024).

4. Financial income

Financial income in 2025 amount to €431,055 thousand (€468,925 thousand in 2024).

The detail of Financial income is as follows:

<i>(in euro thousand)</i>	2025	2024
Financial income from Iveco Group companies:		
Interest income on current accounts	31,020	38,614
Interest and other income on loans	38,012	46,797
Income on derivative financial instruments towards Iveco Group companies	131,602	206,981
Other financial income	856	552
Total Financial income from Iveco Group companies	201,490	292,944
Financial income from third parties:		
Interest income on current accounts	7,942	13,651
Interest income on deposit accounts	14,633	18,040
Income on derivative financial instruments towards third parties	206,990	144,290
Total Financial income from third parties	229,565	175,981
Total Financial income	431,055	468,925

Financial income relate to the treasury and cash management activities performed by the Company on behalf of Iveco Group companies.

Income on derivative financial instruments include realised and unrealised gains, primarily on interest rate swaps, currency hedges (e.g. Outright, Forex Swaps, DCS) entered into with Iveco Group counterparties and prime international banks.

The detail of Income on derivative financial instruments is as follows:

<i>(in euro thousand)</i>	2025	2024
Income on derivative financial instruments towards Iveco Group companies	131,602	206,981
Income on derivative financial instruments towards third parties	206,990	144,290
Income on derivative financial instruments	338,592	351,271

5. Financial expenses

Financial expenses in 2025 amount to €499,459 thousand (€559,585 thousand in 2024).

The detail of Financial expenses is as follows:

<i>(in euro thousand)</i>	2025	2024
Financial expenses towards Iveco Group companies:		
Interest expense on current accounts	93,542	129,708
Interest and other expenses on loans	11,888	19,490
Losses on derivative financial instruments towards Iveco Group companies	153,990	76,986
Other financial expenses	6,649	3,439
Total Financial expenses from Iveco Group companies	266,069	229,623
Financial expenses towards third parties:		
Interest expense on current accounts	117	139
Interest and other expenses on bank borrowings	49,906	53,452
Losses on derivative financial instruments towards third parties	159,176	264,490
Other financial expenses	6,072	7,027
Total Financial expenses from third parties	215,271	325,108
Currency exchange expenses, net	18,119	4,854
Total Financial expenses	499,459	559,585

Financial expenses relate to the treasury and cash management activities performed by the Company on behalf of Iveco Group companies.

Other financial expenses mainly reflect expenses incurred in connection with unsecured committed credit lines provided by primary international banks.

Losses on derivatives include realised and unrealised losses, primarily on interest rate swaps, currency hedges (e.g. Outright, Forex Swaps, DCS) entered into with Iveco Group counterparties and primary international banks.

Losses on derivative financial instruments are as follows:

<i>(in euro thousand)</i>	2025	2024
Losses on derivative financial instruments towards Iveco Group companies	153,990	76,986
Losses on derivative financial instruments towards third parties	159,176	264,490
Losses on derivative financial instruments	313,166	341,476

6. Income tax benefit (expense)

A breakdown of taxes recognised in the income statement is provided below:

<i>(in euro thousand)</i>	2025	2024
Federal current tax	3,572	23,929
Deferred taxes	5,980	520
Total Income tax benefit (expense)	9,552	24,449

The federal current tax, amounting to €3,572 thousand (€23,929 thousand in 2024), relate to the revenue for remuneration of the fiscal loss from the Italian fiscal unit (€22,453 thousands), net of the cost for non-recoverable withholding tax, mainly related to Defence separation activities (€18,881 thousands).

The deferred taxes of €5,980 thousand in 2025 (€520 thousand in 2024) mainly refer to the portion of tax losses not remunerated and taxed provisions valued at the IRES rate in force in the years in which the temporary differences will reverse.

The Company is incorporated in the Netherlands but is a tax resident of Italy. The reconciliation of the differences between the theoretical income taxes determined on the basis of tax rates applicable in Italy and the total income taxes is as follows:

<i>(in euro thousand)</i>	2025	2024
Profit/(Loss) before taxes	(141,572)	(129,625)
Weighted average Italy statutory main corporation tax rate (IRES)	24 %	24 %
Theoretical (income) tax expense	(33,977)	(31,110)
Tax effect of permanent differences	5,346	6,429
Withholding Tax	18,881	—
True-up prior year	198	232
Total Income tax (benefit) expense	(9,552)	(24,449)

7. Result from Investments in Group companies and other equity interests

Result from Investments in Group companies and other equity interests is a profit of €420,778 thousand in 2025 (€454,357 thousand in 2024) including the Company's share in the net profit or loss of the investees.

8. Other information by nature of expense

The Income Statement includes personnel costs of €36,883 thousand in 2025 (€35,238 thousand in 2024), which consist of the following:

<i>(in euro thousand)</i>	2025	2024
Wages and salaries	23,000	21,724
Defined benefit plans	9,396	9,074
Defined contribution plans and other social security costs	1,135	1,152
Other personnel costs	3,352	3,288
Total personnel costs	36,883	35,238

An analysis of the average number of employees by category is as follows:

	2025	2024
Managers, senior professional & above	107	106
Professionals	78	79
Associates	24	22
Average number of employees	209	207

9. Intangible assets

In 2025 and 2024 changes in intangible assets were as follows:

<i>(in euro thousand)</i>	Software externally acquired	Licences	Total
Gross carrying amount at 31 December 2023	9,467	131	9,598
Additions	12,695	—	12,695
Gross carrying amount at 31 December 2024	22,162	131	22,293
Additions	10,664	—	10,664
Balance at 31 December 2025	32,826	131	32,957
Accumulated amortisation and impairment losses			
Balance at 31 December 2023	864	38	902
Amortisation	2,067	27	2,094
Balance at 31 December 2024	2,931	65	2,996
Amortisation	3,685	26	3,711
Balance at 31 December 2025	6,616	91	6,707
Carrying amount at 31 December 2024	19,231	66	19,297
Carrying amount at 31 December 2025	26,210	40	26,250

Software and licences include also licences for use of intellectual property and software in progress acquired from third parties.

Additions of the period primarily include investments in software solutions aimed at safeguarding sensitive information and mitigating potential cyber threats.

Intangible assets have not been pledged as collateral against the Company's borrowings; there are no significant outstanding commitments to purchase additional intangible assets, no revaluations have been made and no intangible assets have been acquired through government concession.

Amortisation of intangible assets is recognised in the Income Statement under Selling, general and administrative costs.

10. Property, plant and equipment

Changes in the carrying amount of Property, plant and equipment in 2025 and 2024 are set out below:

<i>(in euro thousand)</i>	Right-of-use-assets	Other Assets	Total
Gross carrying amount at 31 December 2023	3,416	109	3,525
Additions	1,765	265	2,030
Divestitures	(596)	—	(596)
Other changes	160	—	160
Gross carrying amount at 31 December 2024	4,745	374	5,119
Additions	748	3	751
Divestitures	(854)	—	(854)
Other changes	194	—	194
Balance at 31 December 2025	4,833	377	5,210
Accumulated depreciation and impairment losses			
Balance at 31 December 2023	1,526	3	1,529
Depreciation	1,483	36	1,519
Divestitures	(534)	—	(534)
Balance at 31 December 2024	2,475	39	2,514
Depreciation	1,399	51	1,450
Divestitures	(817)	—	(817)
Balance at 31 December 2025	3,057	90	3,147
Carrying amount at 31 December 2024	2,270	335	2,605
Carrying amount at 31 December 2025	1,776	287	2,063

At 31 December 2025, right-of-use assets refer to lease contracts primarily relating to company cars and real estate.

Short-term and low-value leases are not recorded in the Statement of Financial Position; for these leases, the Company recognises a lease expense in the Income Statement on a straight-line basis over the lease term. In 2025 and 2024, €71 thousand and €144 thousand, respectively, were recognised in Income Statement.

Other assets refer to office furniture and include improvements to rented offices.

There were no tangible assets pledged as security at 31 December 2025 and 2024.

11. Financial fixed assets

At 31 December 2025 Financial fixed assets amount to €5,947,352 thousand and refer to Investments in Group companies and other equity interests (€5,253,394 thousand) and to non-current financial receivables (loans) from Iveco Group companies (€693,958 thousand).

In 2025 and 2024 changes in Investments in Group companies and other equity interests were as follows:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Balance at beginning of year	5,025,437	4,497,811
Contribution to Investments in Group companies and other equity interests	80,863	222,783
Result from Investments in Group companies and other equity interests	420,778	454,357
Dividend received	(155,356)	(197,957)
Disposal of Fire Fighting business	(136,574)	—
Cumulative translation adjustments and other OCI movements	14,905	(62,866)
Other	3,341	111,309
Balance at end of year	5,253,394	5,025,437

The item Other also includes the impact on the equity of subsidiaries with a functional currency of a hyperinflationary economy deriving from the application of IAS 29 - *Financial reporting in hyperinflationary economies*. In particular, from 1 July 2018, Argentina's economy was considered to be hyperinflationary; starting from 1 January 2025, one of the Group's Argentine subsidiaries changed its functional currency from the Argentine peso to the U.S. dollar, as a consequence, IAS 29 is no longer applicable in Argentina since that date. Furthermore, as of 30 June 2022, the hyperinflationary accounting was applied in Türkiye, with effect from 1 January 2022.

Investments in Group companies and other equity interests included €312,627 thousand at 31 December 2025 related to companies attributable to the Defence business (IDV and ASTRA brands). On 30 July 2025, Iveco Group announced the signing of a definitive agreement to sell its Defence business (IDV and ASTRA brands) to Leonardo S.p.A., for an enterprise value of €1.7 billion. The transaction is expected to be complete no later than 31 March 2026. The corporate carve out of the Defence business was completed in 2025 and the required regulatory approval processes are in progress as expected. Furthermore, in the context of the Merger Agreement with Tata Motors, for the event that completion of the sale of the Defence business to Leonardo S.p.A. does not occur prior to or on 31 March 2026, Iveco Group N.V. announced it would have taken all actions necessary to complete its spin-off through a statutory demerger, which would transfer the business into a company, newly incorporated under Dutch law. Therefore, an Extraordinary General Meeting was convened to resolve on 25 March 2026 also upon the demerger, in accordance with the demerger proposal between the Company and IDV Group N.V. dated 11 February 2026, to become effective on the day following the execution of the notarial deed of demerger. The Board of Directors reserved the right to remove this item from the agenda of the Extraordinary General Meeting in case it becomes evident prior to the Extraordinary General Meeting that the sale of the Defence business to Leonardo S.p.A. has been completed or will be completed.

A list of Company's investments has been included in the Notes to the Consolidated Financial Statements.

Other financial assets amounting to €693,958 thousand at 31 December 2025 (€841,511 thousand at 31 December 2024) include financial receivables from Iveco Group companies due over one year.

12. Deferred tax assets

The amount of deferred tax assets of €17,581 thousand at 31 December 2025 (€11,601 thousand in 2024) is mainly related to fiscal losses and taxed provisions.

Changes in the amount of Deferred tax assets are as follows:

<i>(in euro thousand)</i>	At 31 December 2024	Recognised in income statement	Other movements	At 31 December 2025
Deferred tax assets	11,601	5,980	—	17,581
Total Deferred tax assets	11,601	5,980	—	17,581

<i>(in euro thousand)</i>	At 31 December 2023	Recognised in income statement	Other movements	At 31 December 2024
Deferred tax assets	11,081	520	—	11,601
Total Deferred tax assets	11,081	520	—	11,601

13. Trade receivables

At 31 December 2025, trade receivables totalled €100,469 thousand (€112,911 thousand in 2024) and mainly refer to recharges of management and other services provided to Group companies.

Changes in the amount of Trade receivables are as follows:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Trade receivables towards Iveco Group companies	99,870	112,911
Trade receivables towards third parties	599	—
Total Trade receivables	100,469	112,911

The carrying amount of trade receivables towards Iveco Group Companies is deemed to approximate their fair value. All trade receivables are due within one year and there are no overdue balances. Based on the above, the Company does not expect credit losses on these amounts.

Trade receivables from third parties are recognised net of an allowance for expected credit losses amounting to €1,197 thousand. The allowance is measured in accordance with the simplified approach prescribed by IFRS 9 for trade receivables, which requires the recognition of lifetime expected credit losses.

14. Other current assets

At 31 December 2025, other current assets amounted to €143,478 thousand (€88,782 thousand in 2024) and consisted of the following:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
VAT receivables	46,996	7,375
Receivables from Group companies for consolidated Italian corporate tax	73,762	52,572
Prepaid expenses	7,342	9,752
Other receivables	15,378	19,083
Total Other current assets	143,478	88,782

Intercompany receivables for corporate tax amount to €73,762 thousand in 2025 (€52,572 thousand in 2024) and relate to the federal tax calculated on the taxable income of the Italian subsidiaries included in the fiscal unit in which Iveco Group N.V. is the consolidating entity.

Based on their nature, the carrying amount of such receivables is deemed to approximate their fair value.

Prepaid expenses amount to €7,342 thousand in 2025 (€9,752 thousand in 2024) and include upfront fees on credit lines for an amount of €2,614 thousand in 2025 (€4,354 thousand in 2024).

Other receivables include €14,665 thousand of tax credit mainly referred to withholding tax and foreign tax credit in 2025 (€10,166 thousand in 2024).

Other current assets are entirely due within one year.

15. Current financial receivables

At 31 December 2025, current financial receivables amount to €857,882 thousand. The item may be specified as follows:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Current accounts	710,205	772,842
Loans	147,677	187,539
Total Current financial receivables	857,882	960,381

At 31 December 2025, Current financial receivables are mainly made up of short-term financial receivables from Iveco Group companies for €710,205 thousand (€772,842 thousand at 31 December 2024) and loans to Iveco Group companies for €147,677 thousand (€187,539 thousand at 31 December 2024).

Such financial receivables bear floating interest at market rate and their carrying amount is deemed to approximate their fair value.

16. Derivative assets

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Derivative assets entered with Iveco Group companies	13,246	51,692
Derivative assets entered with third parties	11,681	8,308
Total Derivative assets	24,927	60,000

These items consist of derivative financial instruments entered by the Company in the interest of Iveco Group subsidiaries. The Company acts as an intermediary, working with third-party banks and utilizing derivative instruments to mitigate the financial risks faced by its subsidiaries, in particular, their exposure to foreign currency and interest rate fluctuations.

These are essentially forward transactions, currency, interest rate and commodity swaps.

Assets from derivative financial instruments consist of derivative financial instruments measured at fair value at the balance sheet date. Derivative instruments are classified as Level 2 in the fair value hierarchy.

At 31 December 2025, the notional value and the maturity of derivative financial assets is as follows:

<i>(in euro thousand)</i>	At 31 December 2025	Within one year	One to five years	Over five years
Notional value of derivatives with Iveco Group companies:				
Currency risk	1,266,572	1,266,572	—	—
Interest rate swap	415,385	69,231	276,923	69,231
Commodities	1,141	1,141	—	—
Total Notional value of derivatives with Iveco Group companies	1,683,098	1,336,944	276,923	69,231
Notional value of derivatives with third parties:				
Currency risk	1,121,544	1,121,544	—	—
Total Notional value of derivatives with third parties	1,121,544	1,121,544	—	—
Total Notional value of derivatives	2,804,642	2,458,488	276,923	69,231

17. Cash and cash equivalents

Cash and cash equivalents consist of:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Cash at banks	2,107,849	2,198,673
Total Cash and cash equivalents	2,107,849	2,198,673

This item reflects cash balances and on-demand or very-short-term deposits held by the Company in current accounts and deposits with leading national and international financial institutions.

The carrying amount of cash and cash equivalents is deemed to be in line with their fair value.

The credit risk associated with Cash and cash equivalents is considered not significant, because it mainly relates to deposits spread across primary national and international financial institutions.

As at 31 December 2025, there is no restricted cash (nil also in 2024).

18. Equity

<i>(in euro thousand)</i>	Share capital	Treasury Shares	Capital Reserve	Legal Reserves: cumulative translation adjustment reserve/OCI	Legal Reserves: other	Retained profit/(loss)	Profit/(loss) for the year	Total
At 1 January 2023	3,455	—	2,310,969	(525,975)	1,470,098	(1,051,570)	146,752	2,353,729
Appropriation of the result of the year 2022	—	—	—	—	—	146,752	(146,752)	—
Current period change in OCI, net of taxes	—	—	—	(268,215)	—	—	—	(268,215)
Share-based compensation: cost accrued in the period	—	—	18,654	—	—	—	—	18,654
Purchase of treasury shares	—	(55,022)	—	—	—	—	—	(55,022)
Common shares issued from treasury shares for share-based compensation	—	6,495	(6,495)	—	—	—	—	—
Other movements	—	—	—	170,000	—	(83,267)	—	86,733
Legal reserve	—	—	—	—	179,704	(179,704)	—	—
Result for the year 2023	—	—	—	—	—	—	218,378	218,378
At 31 December 2023	3,455	(48,527)	2,323,128	(624,190)	1,649,802	(1,167,789)	218,378	2,354,257
Appropriation of the result of the year 2023	—	—	—	—	—	218,378	(218,378)	—
Dividends distributed	—	—	—	—	—	(59,408)	—	(59,408)
Current period change in OCI, net of taxes	—	—	—	(62,866)	—	—	—	(62,866)
Share-based compensation: cost accrued in the period	—	—	12,618	—	—	—	—	12,618
Purchase of treasury shares	—	(60,099)	—	—	—	—	—	(60,099)
Common shares issued from treasury shares for share-based compensation	—	45,080	(45,080)	—	—	—	—	—
Other movements	—	—	—	(346)	—	165,837	—	165,491
Legal reserve	—	—	—	—	188,471	(188,471)	—	—
Result for the year 2024	—	—	—	—	—	—	349,181	349,181
At 31 December 2024	3,455	(63,546)	2,290,666	(687,402)	1,838,273	(1,031,453)	349,181	2,699,174
Appropriation of the result of the year 2024	—	—	—	—	—	349,181	(349,181)	—
Dividends distributed	—	—	—	—	—	(87,894)	—	(87,894)
Current period change in OCI, net of taxes	—	—	—	14,905	—	—	—	14,905
Share-based compensation: cost accrued in the period	—	—	11,294	—	—	—	—	11,294
Purchase of treasury shares	—	—	—	—	—	—	—	—
Common shares issued from treasury shares for share-based compensation	—	20,007	(20,007)	—	—	—	—	—
Other movements	—	—	(10,873)	108	—	(155,502)	—	(166,267)
Legal reserve	—	—	—	—	132,827	(132,827)	—	—
Result for the year 2025	—	—	—	—	—	—	288,758	288,758
At 31 December 2025	3,455	(43,539)	2,271,080	(672,389)	1,971,100	(1,058,495)	288,758	2,759,970

Other movements of "Retained profit/(loss)" includes the impact of IAS 29 - *Financial reporting in hyperinflationary economies* applied for subsidiaries that prepare their financial statements in a functional currency of a hyperinflationary economy. In 2025, it also included the impact

from the disposal of Fire Fighting business. In 2024, it also included the equity attributable to the Fire Fighting business classified as Discontinued Operations in the Consolidated Financial Statements at 31 December 2024. In 2023, it also included the negative impact of €170 million related to the transfer of fair value of equity investments designated at fair value through other comprehensive income (“FVTOCI”).

As the Company Financial Statements are prepared using the same measurement principles of the Consolidated Financial Statements, including the investments that are accounted for using the equity method, the total Company equity of €2,760 million as of 31 December 2025 is in line with the Consolidated equity (excluding non-controlling interest). In addition, the Company profit for the year of €289 million equals the consolidated profit (excluding non-controlling interest).

The following table shows the reconciliation between the Company equity and the Consolidated equity:

<i>(€ million)</i>	Company Equity	Non-controlling interests	Consolidated Equity
At 31 December 2023	2,354	36	2,390
Dividends distributed	(59)	—	(59)
Purchase of treasury shares	(60)	—	(60)
Share-based compensation expense	13	—	13
Profit/(loss)	349	3	352
Other comprehensive income/(loss)	(63)	5	(58)
Other changes	165	26	191
At 31 December 2024	2,699	70	2,769
Dividends distributed	(88)	—	(88)
Purchase of treasury shares	—	—	—
Share-based compensation expense	11	—	11
Profit/(loss)	289	—	289
Other comprehensive income/(loss)	15	(7)	8
Other changes	(166)	(4)	(170)
At 31 December 2025	2,760	59	2,819

Share capital

The Articles of Association of Iveco Group N.V. provide for authorised share capital of €8 million, divided into 400 million Common Shares and 400 million Special Voting Shares to be held with associated Common Shares, each having a par value of one euro cent (€0.01). As of 31 December 2025, the Company's share capital was €3,454,589.70, fully paid-in, and consisted of 271,215,400 Common Shares (266,346,803 Common Shares outstanding, net of 4,868,597 Common Shares held in treasury by the Company as described in the following section) and 74,243,570 Special Voting Shares (73,903,096 Special Voting Shares outstanding, net of 340,474 Special Voting Shares surrendered to the Company following the de-registration of the corresponding Qualifying Common Shares from the Loyalty Register and which are held as treasury shares by the Company).

Changes in the composition of the share capital of Iveco Group N.V. during 2025 are as follows:

<i>(number of shares)</i>	Iveco Group N.V. Common Shares issued	Less: Treasury shares	Iveco Group N.V. Common Shares outstanding	Iveco Group N.V. loyalty program Special Voting Shares issued	Less: Treasury shares	Iveco Group N.V. loyalty program Special Voting Shares outstanding	Total Shares issued by Iveco Group N.V.	Less: Treasury shares	Total Iveco Group N.V. outstanding shares
Total Iveco Group N.V. shares at 31 December 2023	271,215,400	(6,001,715)	265,213,685	74,243,570	(70,609)	74,172,961	345,458,970	(6,072,324)	339,386,646
(Purchases)/ Sales of treasury shares	—	(879,907)	(879,907)	—	(571)	(571)	—	(880,478)	(880,478)
Total Iveco Group N.V. shares at 31 December 2024	271,215,400	(6,881,622)	264,333,778	74,243,570	(71,180)	74,172,390	345,458,970	(6,952,802)	338,506,168
(Purchases)/ Sales of treasury shares	—	2,013,025	2,013,025	—	(269,294)	(269,294)	—	1,743,731	1,743,731
Total Iveco Group N.V. shares at 31 December 2025	271,215,400	(4,868,597)	266,346,803	74,243,570	(340,474)	73,903,096	345,458,970	(5,209,071)	340,249,899

During the year ended 31 December 2025:

- 269,294 Special Voting Shares were surrendered to the Company following the de-registration of the corresponding Qualifying Common Shares from the Loyalty Register and net of transfer and allocation of Special Voting Shares in accordance with the Special Voting Shares - Terms and Conditions
- the Company delivered 2,013,025 Common Shares following the vesting of share-based compensation plans. See paragraph below “Share-based compensation” for further discussion.

Pursuant to the Articles of Association, the Company is required to maintain a special capital reserve to be credited against the share premium exclusively for the purpose of facilitating any issuance or cancellation of Special Voting Shares. The Special Voting Shares do not carry any entitlement to the balance of the special capital reserve. The Board of Directors is authorised to resolve upon (i) any distribution out of the special capital reserve to pay up Special Voting Shares or (ii) re-allocation of amounts to credit or debit the special capital reserve against or in favour of the share premium reserve.

The Company is required to maintain a separate dividend reserve for the Special Voting Shares.

From the profits, shown in the annual accounts as adopted, such amounts shall be reserved as the Board of Directors may determine.

The profits remaining thereafter shall first be applied to allocate and add to the Special Voting Shares dividend reserve an amount equal to one percent (1%) of the aggregate nominal amount of all outstanding Special Voting Shares. The calculation of the amount to be allocated and added to the Special Voting Shares dividend reserve shall occur on a time-proportionate basis. If Special Voting Shares are issued during the financial year to which the allocation and addition pertains, then the amount to be allocated and added to the Special Voting Shares dividend reserve in respect of these newly issued Special Voting Shares shall be calculated as from the date on which such Special Voting Shares were issued until the last day of the financial year concerned. Any distribution out of the Special Voting Shares dividend reserve or the partial or full release of such reserve will require a prior proposal from the Board of Directors and a subsequent resolution of the general meeting of holders of Special Voting Shares. The Special Voting Shares shall not carry any other entitlement to the profits.

Any profits remaining thereafter shall be at the disposal of the General Meeting for distribution of dividend on the Common Shares only subject to the provision that the distribution of profits shall be made after the adoption of the annual accounts, from which it appears that the same is permitted.

Subject to the approval of the General Meeting and the Board of Directors having been designated as the body competent to pass a resolution for the issuance of shares in accordance with Article 5 of the Articles of Association, the Board of Directors may decide that a distribution shall be made in the form of shares or that shareholders shall be given the option to receive a distribution either in cash or in the form of shares.

Appropriation of the result

In 2026 the Board of Directors decided to not propose any dividend distribution to the Company's shareholders related to the 2025 financial results.

On 16 April 2025, at the AGM, shareholders of Iveco Group N.V. approved a dividend in cash of €0.33 per outstanding Common Share, as recommended by the Board of Directors. The cash dividend was declared in euro and paid on 24 April 2025 for a total amount of €88 million.

The Board of Directors has the power to declare one or more interim dividends, provided that the requirements of the Article 21 paragraph 7 of the Articles of Association are duly observed as evidenced by an interim statement of assets and liabilities as referred to in Article 2:105 paragraph 4 of the Dutch Civil Code and provided further that the policy of the Company on additions to reserves and dividends is duly observed. The provisions of the Article 21 paragraphs 2 and 3 of the Articles of Association shall apply *mutatis mutandis*.

The Board of Directors may determine that dividends or interim dividends, as the case may be, shall be paid, in whole or in part, from the Company's share premium reserve or from any other reserve, provided that payments from reserves may only be made to the shareholders that are entitled to the relevant reserve upon the dissolution of the Company.

Dividends and other distributions of profit shall be made payable in the manner and at such date(s) - within four weeks after declaration thereof - and notice thereof shall be given, as the General Meeting of Shareholders, or in the case of interim dividends, the Board of Directors shall determine, provided, however, that the Board of Directors shall have the right to determine that each payment of annual dividends in respect of shares be deferred for a period not exceeding five consecutive annual periods. Dividends and other distributions of profit, which have not been collected within five years and one day after the same have become payable, shall become the property of the Company.

Loyalty Voting Program

In order to reward long-term ownership of the Company's Common Shares and promote stability of its shareholder base, the Articles of Association of the Company provide for a loyalty voting program. This has been accomplished through the issuance of Special Voting Shares. For further details, see paragraph "Loyalty Voting Program" of the Governance Statement section.

Treasury shares

At 31 December 2025, the Company held 4,868,597 Common Shares (at an aggregate cost of €43.5 million) and 340,474 Special Voting Shares in treasury, net of the relevant transfers and allocations respectively under the and in accordance with the Special Voting Shares - Terms and Conditions. During the year ended 31 December 2025, 269,294 Special Voting Shares were surrendered to the Company.

The Annual General Meeting (AGM) held on 16 April 2025 replaced the authorization to repurchase Common Shares in the share capital of the Company that had been granted by the AGM in April 2024 with a new one, according to substantially the same terms. The authorization was for the Board of Directors to decide upon the acquisition of the Company's own Common Shares through purchases on the stock exchange and/or multilateral trading facilities, directly and/or otherwise, for a period of 18 months from 16 April 2025, i.e. up to and including 15 October 2026, in one or more transactions, subject to market and business conditions and in compliance with applicable rules and regulations. It intended, *inter alia*, to allow the Board to cover the Company's obligations related to the share-based compensation, under existing and/or future equity incentive plans. Neither the authorization granted, nor the subsequent launch by the Board of any share buyback program obligated the Company to buy back any Common Shares. The Board's authority was limited to a maximum of up to 10,000,000 Common Shares with a maximum total allocation to this end of €130 million. With due respect of applicable rules and regulations, purchases were required to take place for a price per Common Share (excluding expenses) no less than its nominal value (minimum price) and no more than 10% above the opening price as shown in the Official Price List of Euronext Milan on the day of acquisition (maximum price).

Capital reserves

At 31 December 2025, Capital reserves amounted to €2,271 million (€2,291 million at 31 December 2024), of which:

- €15 million of share premium reserve deriving from a contribution of cash of the same amount executed by the sole shareholder CNH Industrial N.V. on 28 December 2021,
- €2,279 million deriving from the Demerger effective on 1 January 2022,
- €60 million of share-based compensation cost accrued (€11 million in 2025, €13 million in 2024, €19 million in 2023 and €17 million in 2022), less the impact of €72 million issued from treasury shares at the vesting (€20 million in 2025, €45 million in 2024 and €6 million in 2023), and less €11 million impact of the change in accounting treatment from equity-settled to cash-settled of certain share-based payment awards (for more information on Share-based compensation see Note 21 "Equity" of the Consolidated Financial Statements).

Legal reserves

As of 31 December 2025, the Company Legal reserves amounted to €1,299 million (€1,151 million at 31 December 2024) and relate to unrealised currency translation losses of €591 million (€548 million at 31 December 2024) and other OCI components for a net negative amount of €81 million (€139 million at 31 December 2024), more than offset by other legal reserves for €1,971 million (€1,838 million at 31 December 2024).

As of 31 December 2025, other legal reserves are made up by research and development costs capitalised by the equity investments for €1,738 million (€1,636 million at 31 December 2024), earnings from affiliated companies subject to certain restrictions on the transfer of funds to the parent company in form of dividend or otherwise for €62 million (€35 million at 31 December 2024) and earnings from subsidiaries that due to local law requirements cannot be distributed as dividend, unless the subsidiary is liquidated, for €171 million (€167 million at 31 December 2024).

Pursuant to Dutch law, limitations exist relating to the distribution of shareholders' equity for the entire amount of the legal reserves. By their nature, unrealised losses relating to currency translation differences and other OCI components reduce shareholders equity and thereby distributable amounts. As a consequence, the total amount considered not distributable as of 31 December 2025 equalled to €1,975 million (€1,842 million at 31 December 2024). As a result, the distributable reserves as at 31 December 2025 amounted to €785 million (€857 million at 31 December 2024).

Share-based compensation

Iveco Group's equity awards are governed by the following plans: i) Iveco Group N.V. 2021-2023 Long Term Incentive Plan (vested in 2024); ii) Iveco Group N.V. 2022-2024 Long Term Equity Incentive Plan (vested in 2025), iii) Iveco Group N.V. 2023-2025 Long Term Equity Incentive Plan, iv) Iveco Group N.V. 2024-2026 Long Term Equity Incentive Plan and v) Iveco Group N.V. 2025-2027 Long Term Equity Incentive Plan.

For more information on Share-based compensation see Note 21 "Equity" of the Consolidated Financial Statements.

19. Provision for employee benefits

Provisions for employee benefits at 31 December 2025 and 2024 are as follows:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Post-employment benefits	1,413	1,427
Other provision for employees	13,594	4,924
Other long-term employee benefits	552	602
Total Provision for employee benefits	15,559	6,953

Post-employment benefits

Post-employment benefits consist of obligations for Italian Employee Leaving Entitlements up to 31 December 2006 and loyalty bonus in Italy. Until 31 December 2006, Italian companies with more than 50 employees were required to accrue for benefits paid to employees upon them leaving Italian legal entities. The scheme has since changed to a defined contribution plan. The obligation on our balance sheet represents the residual reserve for years until 31 December 2006. Loyalty bonus is accrued for employees who have reached pre-defined service seniority and are generally settled when employees leave the Company. These plans are not required to be funded and, therefore, have no plan assets.

The amounts recognised in the statement of financial position for post-employment benefits at 31 December 2025 and 2024 are as follows:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Present value of funded obligations	1,413	1,427
Less: Fair value of plan assets	—	—
Deficit/(surplus)	1,413	1,427
Net liability/(Net asset)	1,413	1,427
Amounts at year-end:		
Liabilities	1,413	1,427
Assets	—	—
Net liability	1,413	1,427

Changes in the present value of post-employment obligations in 2025 and 2024 are as follows:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Present value of obligation at the beginning of the year	1,427	1,352
Current service cost	45	14
Interest expense	35	53
Other remeasurements	(72)	62
Total remeasurements	(72)	62
Benefits paid	(22)	(50)
Transfers from other companies	—	(4)
Present value of obligation at the end of the year	1,413	1,427

Other remeasurements mainly include the amount of experience adjustments.

The following significant assumptions were utilised in determining the funded status at 31 December 2025 and 2024, and the expense of defined benefit plans for the years ended 31 December 2025 and 2024:

<i>(in %)</i>	Assumptions used to determine funded status at year-end
	At 31 December 2025
	Post-employment benefits
Weighted-average discount rates	3.99
Weighted-average rate of compensation increase	2.21
	At 31 December 2024
	Post-employment benefits
Weighted-average discount rates	3.28
Weighted-average rate of compensation increase	3.57
	Assumptions used to determine expense at year-end
	At 31 December 2025
	Post-employment benefits
Weighted-average discount rates – current service cost	3.99
Weighted-average discount rates – interest cost	3.99
Weighted-average rate of compensation increase	2.21
	At 31 December 2024
	Post-employment benefits
Weighted-average discount rates – current service cost	3.28
Weighted-average discount rates – interest cost	3.28
Weighted-average rate of compensation increase	3.57

Assumed discount rates are used in measurements of post-employment benefit obligations and net interest on the net defined benefit liability/asset. The Company selects its assumed discount rates based on the consideration of equivalent yields on high-quality fixed income investments at the measurement date. The assumed discount rate is used to discount future benefit obligations back to today's euros. The discount rates are based on a benefit cash flow-matching approach and represent the rates at which the benefit obligations could effectively be settled as of the measurement date, 31 December. The benefit cash flow-matching approach involves analysing the Company's projected cash flows against a high-quality bond yield curve; discount rate is based on first year rate of the Euro Composite AA curve.

Assumed discount rates have an effect on the amount recognised in the 2025 financial statements. A one percentage point change in the assumed discount rates would have the following effects:

<i>(in euro thousand)</i>	One percentage point increase	One percentage point decrease
Effect on post-employment defined benefit obligation at 31 December 2025	(80)	91
Effect on post-employment defined benefit obligation at 31 December 2024	(88)	101

Other provisions for employees and Other long-term employee benefits

Other provisions for employees consist of the best estimate at the balance sheet date of short-term employee benefits payable by the Group within twelve months from the end of the period in which the employees render the related service.

Other long-term employee benefits consist of the Company's obligation for those benefits generally payable during employment on reaching a certain level of seniority in the Company or when a specified event occurs and reflects the probability of payment and the length of time over which this will be made.

Changes in Other provisions for employees and in Other long-term employee benefits are as follows:

<i>(in euro thousand)</i>	Other provisions for employees	Other long-term employee benefits	Total
At 31 December 2023	7,912	623	8,535
Provision	4,938	—	4,938
Utilization	(7,123)	(95)	(7,218)
Other	(797)	76	(721)
Transfer from other companies	(6)	(2)	(8)
At 31 December 2024	4,924	602	5,526
Provision	14,946	—	14,946
Utilization	(6,255)	(89)	(6,344)
Other	—	39	39
Transfer from other companies	(21)	—	(21)
At 31 December 2025	13,594	552	14,146

20. Other provisions

At 31 December 2025 Other provisions amounted to €17,000 thousand (nil in 2024) and referred to expenses accrued by the Company for estimated charges in connection with the on-going extraordinary transactions.

In 2025 changes in Other provisions were as follows:

<i>(in euro thousand)</i>	At 31 December 2024	Provision	Utilization	Reversal to income statement	At 31 December 2025
Provisions for other risks and charges	—	17,000	—	—	17,000
Total Other provisions	—	17,000	—	—	17,000

21. Financial liabilities

Credit Facilities

Lenders of committed credit facilities have the obligation to make advances up to the facility amount. Lenders of uncommitted facilities have the right to terminate the agreement, with no acceleration of the advances, with prior notice to Iveco Group. At 31 December 2025, Iveco Group had available committed unsecured facilities expiring after twelve months amounting to €1,900 million (€1,900 million at 31 December 2024).

On 4 January 2022, Iveco Group signed a €1.9 billion syndicated facility, which included a €1.4 billion committed revolving credit facility with a 5-year tenor with two extension options of 1-year each (subject to the bank's approval), as well as a €0.5 billion committed term facility with a 12-months tenor, extendable for up to an additional 12 months at the Company's sole option. In October 2022, Iveco Group signed a new €400 million syndicated term facility with a 2-year tenor extendable for up to an additional 12 months at the Company's sole option. The proceeds have been used to refinance the existing term facility. The €1.4 billion revolving credit facility has been extended for two additional years with all lenders, by exercising the first and the second one-year extension option. The facility is now due to mature in January 2029.

On 27 November 2023, Iveco Group signed a €450 million term loan facility with the European Investment Bank (EIB) with an 8-year amortisation profile, which represented the first tranche of the €500 million total approved by the European Investment Bank. The proceeds of the loan facility, which have been drawdown in full in December 2023, will be applied, over a period of three years, to enable Iveco Group to develop innovative technologies and architectures in the field of electric propulsion and to increase efficiency, safety, driving comfort and productivity by further developing solutions for autonomous driving, digitalisation and vehicle connectivity. This loan is at a below-market rate of interest. The difference between the market rate of interest for an equivalent loan at the inception date and the rate granted by the EIB has been recognised as a government grant in accordance with IAS 20, and recorded as a deduction from the capitalized development costs financed by the loan on a straight-line basis over the life of the underlying projects. The loan is measured at amortised cost, in the amount of €405 million at 31 December 2025 (€436 million at 31 December 2024). In July 2024, the second and last €50 million tranche has been executed with full drawing in October 2024.

The facilities above include typical provisions for contracts of this type and size, such as: customary covenants mainly relating to Industrial Activities including negative pledge, a status (or *pari passu*) covenant, restrictions on the incurrence of indebtedness by certain subsidiaries, customary events of default (some of which are subject to minimum thresholds and customary mitigants) including cross-default, failure to pay amounts due or to comply with certain provisions under the loan agreement, the occurrence of certain bankruptcy-related events and mandatory prepayment obligations upon a change in control of Iveco Group or the borrower and a financial covenant (Net debt/EBITDA ratio relating to Industrial Activities) that is not applicable in case of rating equal or higher than BBB/Baa2. The failure to comply with these provisions, in certain cases if not suitably remedied, can lead to the requirement to make early repayment of the outstanding advances. At 31 December 2025, Iveco Group was in compliance with all covenants of the above facilities.

In June 2024, Iveco Group N.V. signed a term loan facility of €150 million with Cassa Depositi e Prestiti (CDP) for the creation of new projects in Italy dedicated to research, development and innovation. Furthermore, in July 2024 Iveco Group N.V. successfully raised a *Schuldschein* loan (a private placement governed by German law) for €290 million and between July 2024 and October 2024 Iveco Group N.V. executed new bilateral term loan facilities for a total amount of €300 million. In 2025, Iveco Group N.V. signed a new 3-years term loan facility of €50 million.

Non-current financial liabilities

The amount of Non-current financial liabilities, €1,226 million at 31 December 2025 (€1,326 million at 31 December 2024), includes the amount payables to financial institutions after one year.

In 2025 and 2024 changes in Non-current financial liabilities were as follows:

<i>(in euro thousand)</i>	At 31 December 2024	Increase	Decrease	At 31 December 2025
Non-current financial liabilities	1,325,563	50,000	(149,740)	1,225,823
Total Non-current financial liabilities	1,325,563	50,000	(149,740)	1,225,823

<i>(in euro thousand)</i>	At 31 December 2023	Increase	Decrease	At 31 December 2024
Non-current financial liabilities	550,405	775,158	—	1,325,563
Total Non-current financial liabilities	550,405	775,158	—	1,325,563

The effective interest rate on the non-current financial liabilities of Iveco Group N.V. as at 31 December 2025 was 2.9% – 3.4% (3.2% – 5.0% as at 31 December 2024).

Current financial liabilities

The amount of Current financial liabilities of €5,028,383 thousand at 31 December 2025 (€5,135,389 thousand at 31 December 2024), mainly reflects amounts due to Iveco Group companies for €5,018,905 thousand (€5,122,263 thousand at 31 December 2024) and to leading international banks for €7,442 thousand (€10,659 thousand at 31 December 2024) payable within one year.

In 2025 and 2024 changes in Current financial liabilities were as follows:

<i>(in euro thousand)</i>	At 31 December 2024	Increase	Decrease	At 31 December 2025
Current financial liabilities towards Iveco Group companies	5,122,263	5,018,905	(5,122,263)	5,018,905
Current financial liabilities towards third parties	10,659	7,446	(10,659)	7,446
Other payables	2,467	—	(435)	2,032
Total Current financial liabilities	5,135,389	5,026,351	(5,133,357)	5,028,383

<i>(in euro thousand)</i>	At 31 December 2023	Increase	Decrease	At 31 December 2024
Current financial liabilities towards Iveco Group companies	3,960,953	5,122,263	(3,960,953)	5,122,263
Current financial liabilities towards third parties	400,729	10,659	(400,729)	10,659
Other payables	1,922	545	—	2,467
Total Current financial liabilities	4,363,604	5,133,467	(4,361,682)	5,135,389

The amounts can be broken down as follows:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Current accounts	4,469,221	4,741,100
Iveco Group companies	4,469,217	4,741,087
Third parties	4	13
Borrowings	557,130	391,822
Iveco Group companies	549,688	381,176
Third parties	7,442	10,646
Other payables	2,032	2,467
Total Current financial liabilities	5,028,383	5,135,389

The short term financial liabilities bear floating interest at market rate.

The carrying amount of those liabilities is deemed to be in line with their fair value.

22. Trade payables

At 31 December 2025, trade payables totalled €56,956 thousand (€42,737 thousand at 31 December 2024) made up as follows :

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Trade payables towards Iveco Group companies	13,901	16,658
Trade payables towards other related parties	3	94
Stellantis	3	94
Trade payables towards third parties	43,052	25,985
Total Trade payables	56,956	42,737

Trade payables are due within one year and their carrying amount at the reporting date is deemed to approximate their fair value.

23. Derivative liabilities

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Derivative liabilities entered with Iveco Group companies	9,121	8,138
Derivative liabilities entered with third parties	13,615	53,773
Total Derivative liabilities	22,736	61,911

These items consist of derivative financial instruments entered by the Company in the interest of Iveco Group subsidiaries. The Company acts as an intermediary, working with third-party banks and utilizing derivative instruments to mitigate the financial risks faced by its subsidiaries, in particular, their exposure to foreign currency and interest rate fluctuations.

These are essentially forward transactions, currency, interest rate and commodity swaps.

Liability from derivative financial instruments consist of derivative financial instruments measured at fair value at the balance sheet date. Derivative instruments are classified as Level 2 in the fair value hierarchy.

At 31 December 2025, the notional value and the maturity of derivatives financial liabilities are as follows:

<i>(in euro thousand)</i>	At 31 December 2025	Within one year	One to five years	Over five years
Notional value of derivatives with Iveco Group companies:				
Currency risk	558,704	558,704	—	—
Total Notional value of derivatives with Iveco Group companies	558,704	558,704	—	—
Notional value of derivatives with third parties:				
Currency risk	1,378,445	1,378,445	—	—
Interest rate swap	615,385	69,231	476,923	69,231
Commodities	1,141	1,141	—	—
Total Notional value of derivatives with third parties	1,994,971	1,448,817	476,923	69,231
Total Notional value of derivatives	2,553,675	2,007,521	476,923	69,231

24. Other current liabilities

At 31 December 2025, Other current liabilities totalled €101,424 and included the following:

<i>(in euro thousand)</i>	At 31 December 2025	At 31 December 2024
Current amounts payable to employees, social security, directors	5,412	2,951
Tax payable	94,581	45,074
Tax payable towards third parties	—	258
Tax payable towards Iveco Group companies	59,199	23,060
VAT payables towards Iveco Group companies	34,011	20,814
Other Tax payable	1,371	942
Other liabilities	1,431	1,446
Total Other current liabilities	101,424	49,471

Tax payable towards third parties is nil (€258 thousand at 31 December 2024 related to indirect taxes).

Tax payable towards Iveco Group companies amount to €59,199 thousand at 31 December 2025 (€23,060 thousand at 31 December 2024) and relate to the remuneration for tax losses contributed by the Italian subsidiaries participating in the domestic tax consolidation program for 2024, in which Iveco Group N.V. is the consolidating entity.

VAT payables towards Iveco Group companies amount to €34,011 thousand at 31 December 2025 (€20,814 thousand at 31 December 2024) and include intercompany VAT liabilities toward subsidiaries.

Other current liabilities are all due within one year and their carrying amount is deemed to approximate their fair value.

25. Guarantees, commitments and contingent liabilities

Guarantees issued at 31 December 2025 by the Company totalled €288,140 thousand (€445,613 thousand at 31 December 2024) and were made up as follows:

- €42,922 thousand (€211,714 thousand at 31 December 2024) for payment obligations related to excess VAT credits of the direct and indirect subsidiaries of Iveco Group N.V.;
- €145,218 thousand (€133,899 thousand at 31 December 2024) for sundry guarantees primarily in the interest of Iveco S.p.A. and Iveco Deutschland AG for good execution of works;
- €100,000 thousand (€100,000 thousand at 31 December 2024) for credit lines granted from banks in the interest of Group companies.

At 31 December 2025 and 2024, there were no guarantees outstanding issued in the interest of entities other than subsidiaries of the Company.

Other contingencies are described in Note 27 “Commitments and contingencies” of the Consolidated Financial Statements.

26. Audit fees

The following table reports fees accrued for audit and other services to the Group performed by the independent auditor Deloitte Accountants B.V., the member firms of Deloitte & Touche and their respective affiliates (collectively, the “Deloitte Entities”).

<i>(in euro thousand)</i>	2025	2024
Audit fees of the Consolidated and Company Financial Statements	5,904	6,567
Other audit and assurance services	1,755	719
Total Audit fees	7,659	7,286

The audit fees encompassed an amount of €159 thousand for the audit of the Company Financial Statements of Iveco Group N.V. performed by Deloitte Accountants B.V. (compared to €155 thousand in 2024).

27. Board remuneration

Detailed information on Board of Directors compensation, including their shares and share options, is included in the Remuneration Report section as included in the Board Report of this Annual Report.

28. Subsequent events

Iveco Group has evaluated subsequent events through 4 March 2026, which is the date the Consolidated Financial Statements were authorised for issuance, and noted the following:

- on 23 January 2026, the Group announced that the corporate carve-out of the Defence Business (IDV and ASTRA brands) was completed in 2025 and the required regulatory approval processes are in progress as expected
- on 11 February 2026, the Group announced that an extraordinary general meeting (EGM) of its shareholders will be held in Amsterdam on 25 March 2026. The EGM will be asked to approve that the Board of Directors, subject to completion of the sale of the Defence Business to Leonardo S.p.A. (the “Sale Transaction”), resolve upon the extraordinary interim dividend distribution of the net proceeds of the Sale Transaction (the “Interim Dividend Distribution”). The estimated extraordinary dividend is expected at € 5.5-6.0 per common share. Payment is currently anticipated in April 2026 after contractual closing adjustments are finalised, in line with the standard ex-dividend date of 20 April on the Italian Stock Exchange calendar. As a precautionary measure, in case the Sale Transaction is expected not to be completed by 31 March 2026, the EGM will be asked to vote on the statutory demerger of Iveco Group, which would transfer the Defence Business into IDV Group N.V. (“IDV Group”), a company newly incorporated under Dutch law (the “Demerger”). The common and special voting shares of IDV Group would be proportionally allotted to Iveco Group shareholders existing at the time of the Demerger, with common shares listed and traded on Euronext Milan (“Admission”). The Board of Directors reserves the right to remove the discussion of the Interim Dividend Distribution from the agenda of the EGM in case it becomes evident prior to the EGM that the Sale Transaction will not be completed ultimately on 31 March 2026. On the other hand, the Board of Directors reserves the right to remove the discussion of the Demerger in case it becomes evident prior to the EGM that the Sale Transaction has been completed or will be completed.

4 March 2026

The Board of Directors

Suzanne Heywood

Olof Persson

Lorenzo Simonelli

Judy Curran

Tufan Erginbilgic

Clara Fain

Essimari Kairisto

Linda Knoll

Alessandro Nasi

OTHER INFORMATION

Independent Auditor's Report

The report of the Company's independent auditor, Deloitte Accountants B.V., the Netherlands, is set forth following this Annual Report.

Appropriation of the result of the year

Subject to the adoption of the Annual Financial Statements by the AGM and after the allocation of the relevant amount to the Special Voting Shares dividend reserve in accordance with article 21, paragraph 4, of the Articles of Association, any profits remaining shall be allocated to the Retained earnings and be at the disposal of the General Meeting for distribution of dividend on the outstanding Common Shares only, based on the recommendations and proposal of the Board of Directors and subject to the provision of article 21, paragraph 8, of the Articles of Association.

Dividends under Articles of Association provisions

Dividends will be determined in accordance with article 21 of the Articles of Association of the Company, which reads as follows:

1. The Company shall maintain a special capital reserve to be credited against the share premium exclusively for the purpose of facilitating any issuance or cancellation of Special Voting Shares. The Special Voting Shares shall not carry any entitlement to the balance of the special capital reserve. The Board of Directors shall be authorized to resolve upon (i) any distribution out of the special capital reserve to pay up Special Voting Shares or (ii) re-allocation of amounts to credit or debit the special capital reserve against or in favour of the share premium reserve.
2. The Company shall maintain a separate dividend reserve for the Special Voting Shares. The Special Voting Shares shall not carry any entitlement to any other reserve of the Company. Any distribution out of the Special Voting Shares dividend reserve or the partial or full release of such reserve will require a prior proposal from the board of directors and a subsequent resolution of the general meeting of holders of Special Voting Shares.
3. From the profits, shown in the annual accounts, as adopted, such amounts shall be reserved as the Board of Directors may determine.
4. The profits remaining thereafter shall first be applied to allocate and add to the Special Voting Shares dividend reserve an amount equal to one percent (1%) of the aggregate nominal amount of all outstanding Special Voting Shares. The calculation of the amount to be allocated and added to the Special Voting Shares dividend reserve shall occur on a time-proportionate basis. If special voting shares are issued during the financial year to which the allocation and addition pertains, then the amount to be allocated and added to the Special Voting Shares dividend reserve in respect of these newly issued Special Voting Shares shall be calculated as from the date on which such Special Voting Shares were issued until the last day of the financial year concerned. The Special Voting Shares shall not carry any other entitlement to the profits.
5. Any profits remaining thereafter shall be at the disposal of the General Meeting for distribution of dividend on the Common Shares only, subject to the provision of paragraph 8 of this article.
6. Subject to a prior proposal of the Board of Directors, the General Meeting may declare and pay dividends in United States Dollars. Furthermore, subject to the approval of the General Meeting and the Board of Directors having been designated as the body competent to pass a resolution for the issuance of shares in accordance with article 5, the Board of Directors may decide that a distribution shall be made in the form of shares or that shareholders shall be given the option to receive a distribution either in cash or in the form of shares.
7. The Company shall only have power to make distributions to shareholders and other persons entitled to distributable profits to the extent the Company's equity exceeds the sum of the paid-up portion of the share capital and the reserves that must be maintained in accordance with provision of law. No distribution of profits may be made to the Company itself for shares that the Company holds in its own share capital.
8. The distribution of profits shall be made after the adoption of the annual accounts, from which it appears that the same is permitted.
9. The Board of Directors shall have power to declare one or more interim dividends, provided that the requirements of paragraph 7 hereof are duly observed as evidenced by an interim statement of assets and liabilities as referred to in article 2:105 paragraph 4 of the Civil Code and provided further that the policy of the Company on additions to reserves and dividends is duly observed. The provisions of paragraphs 2 and 3 hereof shall apply *mutatis mutandis*.
10. The Board of Directors may determine that dividends or interim dividends, as the case may be, shall be paid, in whole or in part, from the Company's share premium reserve or from any other reserve, provided that payments from reserves may only be made to the shareholders that are entitled to the relevant reserve upon the dissolution of the Company.
11. Dividends and other distributions of profit shall be made payable in the manner and at such date(s) - within four (4) weeks after declaration thereof - and notice thereof shall be given, as the General Meeting, or in the case of interim dividends, the Board of Directors shall determine, provided, however, that the Board of Directors shall have the right to determine that each payment of annual dividends in respect of shares be deferred for a period not exceeding five (5) consecutive annual periods.
12. Dividends and other distributions of profit, which have not been collected within five (5) years and one (1) day after the same have become payable, shall become the property of the Company.

INDEPENDENT AUDITOR'S REPORT

To the shareholders and the audit committee of Iveco Group N.V.

Report on the audit of the financial statements 2025 included in the annual report

Our opinion

We have audited the financial statements 2025 of Iveco Group N.V., based in Amsterdam. The financial statements comprise the consolidated and company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Iveco Group N.V. as at 31 December 2025, and of its result and its cash flows for 2025 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- The accompanying company financial statements give a true and fair view of the financial position of Iveco Group N.V. as at 31 December 2025, and of its result for 2025 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. The consolidated statement of financial position as at 31 December 2025.
2. The following statements for 2025: the consolidated income statement, the consolidated statements of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity.
3. The notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1. The company income statement for the year ended 31 December 2025.
2. The company statement of financial position as at 31 December 2025.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Iveco Group N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgment we determined the materiality for the financial statements as a whole at EUR 100 million. The materiality is based on net revenue. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the audit committee that misstatements in excess of EUR 5 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Iveco Group N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements of Iveco Group N.V.

Based on our risk assessment, we determined the nature, timing and extent of audit procedures to be performed, including determining the entities at which to perform audit procedures.

Our group audit mainly focused on significant group entities. Our assessment of entities that are significant to the group was done as part of our audit planning and was aimed to obtain sufficient coverage of the risks of a material misstatement for the significant account balances, classes of transactions and disclosures that we have identified. In addition, we considered qualitative factors as part of our assessment.

For the selected component audit teams, the group audit team provided detailed written instructions, which, in addition to communicating our requirements of component audit teams. Furthermore, we developed a plan for overseeing component audit teams based on its relative significance and specific risk characteristics. Our oversight procedures included a combination of live and virtual meetings with the component auditor, including working paper reviews. We also reviewed component audit team deliverables to gain a sufficient understanding of the work performed based on our instructions.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the consolidated financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the audit committee exercises oversight, as well as the outcomes. We refer to section "Risk Management and Internal Control System" of the management report for management's fraud risk assessment in which the management and audit committee reflects on this fraud risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

Following these procedures, and the presumed risks under the prevailing auditing standards, we considered the fraud risks in relation to management override of controls and revenue recognition which may represent a risk of material misstatement due to fraud. Our audit procedures addressing these fraud risks included detailed testing of journal entries and top-side adjustments, supported by comprehensive documentation. We employed data analytics to select journal entries based on risk-based characteristics, aimed at addressing the identified fraud risks.

Additionally we performed, amongst others, the following procedures:

- We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.
- We considered available information and made inquiries of relevant personnel, including (non-) executive directors, lower management, accounting personnel, general counsel, director of internal audit, compliance and corporate affairs officer, and others.
- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.
- We evaluated whether the selection and application of accounting policies by the group, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.
- We evaluated whether the judgments and decisions made by the board of directors in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. We performed a retrospective review of management judgments and assumptions related to significant accounting estimates reflected in prior year financial statements.
- For significant transactions we evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.
- We have involved forensic specialists, who assisted us in the procedures explained above.

Our procedures did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the company through discussion with amongst others, management, group legal counsel, internal audit and those charged with governance, reading minutes and reports of internal audit.

As a result of our risk assessment procedures, and while realising that the effects from non-compliance could considerably vary, we considered the following laws and regulations: (corporate) tax law, the requirements under the International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognised to have a direct effect on the financial statements.

Apart from these, Iveco Group N.V. is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Given the nature of Iveco Group N.V.'s business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations.

Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to Iveco Group N.V.'s ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiry of management, the audit committee, the executive board and others within Iveco Group N.V. as to whether Iveco Group N.V. is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Audit approach going concern

Our responsibilities, as well as the responsibilities of the board of directors, related to going concern under the prevailing standards are outlined in the "Description of responsibilities regarding the financial statements" section below. In fulfilling our responsibilities, we performed procedures including evaluating management's assessment of the Company's ability to continue as a going concern and considering the impact of financial, operational, and other conditions. Based on these procedures, we did not identify any reportable matters related to the entity's ability to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the audit committee. The key audit matters are not a comprehensive reflection of all matters discussed.

1. Recognition of "Follow on Damages Claims" as Contingent Liability

Description

In 2011 Iveco S.p.A. and Iveco Magirus AG (now Iveco Deutschland AG, and together with Iveco S.p.A. "Iveco") and its competitors in the European Union were subject to an investigation by the European Commission (the "Commission") into certain business practices in the European Union (in the period 1997-2011) in relation to Medium & Heavy trucks. On 19 July 2016, the Commission announced a settlement with CNH Industrial (of which Iveco was part before the demerger). Iveco paid a fine of EUR 494.6 million. Similar decisions were taken by the Commission with reference to the other competitors. Following the adoption of the European Commission's settlement decision, the Group has been named as defendants in many proceedings across Europe and Israel (so-called "Follow on Damages Claims").

These damage claims could result in substantial liabilities for the Group as well as incurring significant defence costs, which may have a material adverse effect on its operations and financial condition. The extent and outcome of these claims cannot be reliably predicted at this time and, therefore, the Group did not recognise a provision for these claims.

How the key audit matter was addressed in the audit

Our audit procedures included, but were not limited to:

- Meetings and discussions with management and in particular with Iveco Group N.V. internal legal department in order to obtain an understanding of relevant matters regarding the claims.

- Discussing the allegations with both internal and external legal counsel and requesting confirmation letters from in-house legal counsel and external legal counsel involved.
- Reviewing management position papers also with the involvement of our legal specialists.
- Reviewing the minutes of meetings of governance bodies.
- Reviewing the disclosures made in the financial statements and in the board report.

Observation

The scope and nature of the procedures performed were appropriate and sufficient to address the key audit matter. Our procedures did not result in any reportable matters.

2. Net realisable value of vehicles sold with buy-back commitment

Description

The Iveco Group N.V. consolidated financial statements as of 31 December 2025, include, under “Property, plant and equipment”, vehicles sold with a buy-back commitment in the amount of EUR 1,189 million after accumulated depreciation.

When the sale of the vehicle is combined with a buy-back commitment and a significant economic incentive exists for the customer to exercise the buy-back option, the sales transaction is recognised as an operating lease and an asset is recognised. The difference between the carrying value (corresponding to the manufacturing cost) and the estimated resale value (net of refurbishing costs) at the end of the buy-back period is depreciated on a straight-line basis over the same period. At the end of the agreement term, upon exercise of the option, the used vehicles are reclassified from Property, plant, and equipment to Inventories. The estimated net realisable value of vehicles sold with buy-back commitment depends on the situation in the used vehicle markets at the time the vehicles are expected to be returned.

Given the materiality of the carrying amount of this balance and the analysis needed in determining the estimated net realisable value which involves significant management’s judgment, we have identified testing the valuation of the net realisable value of vehicles sold with buy-back commitment as a key audit matter.

Note 13 to the consolidated financial statements shows movements on this caption during the reporting period. The measurement criteria applied by the Group to this caption are described in “Revenue recognition” of the “Accounting Policies” section of the notes to the consolidated financial statements.

How the key audit matter was addressed in the audit

Our audit procedures included, but were not limited to:

- Obtaining an understanding of the main controls performed by Iveco Group N.V. when recording transactions of vehicles sold with a buy-back commitment and on those controls over management’s review of the significant assumptions adopted in the determination of estimated net realisable value process.
- Testing the method, data and assumptions used in relation to the estimation of net realisable value of vehicles sold with buy-back commitment including the analysis of Iveco Group N.V. management’s written policies and procedures.
- Meetings and discussions with management and inspection of documentation to evaluate the reasonableness of management’s significant assumptions in relation to the estimation of net realisable value of vehicles sold with buy-back commitment.
- Evaluating the disclosures made in the financial statements.

Observation

The scope and nature of the procedures performed were appropriate and sufficient to address the key audit matter. Our procedures did not result in any reportable matters.

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:

- Board report.
- Board of directors and auditor.
- Letter from the Chair and the Chief Executive Officer.
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.
- Other Information included in the Annual Report.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Board report in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the annual meeting of shareholders as auditor of Iveco Group N.V. in the general meeting held in second quarter of 2022, as of the audit for the year 2023 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Format (ESEF)

Iveco Group N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report, prepared in XHTML format, including the (partly) marked-up consolidated financial statements, as included in the reporting package by Iveco Group N.V. complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby management combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
 - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance and the XBRL extension taxonomy files has been prepared in accordance with the technical specifications as included in the RTS on ESEF;
 - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of the board and the audit committee for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The audit committee is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error, during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee , we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Utrecht, 4 March 2026

Deloitte Accountants B.V.

M.R. van Leeuwen

LIMITED ASSURANCE-REPORT OF THE INDEPENDENT AUDITOR ON THE SUSTAINABILITY STATEMENT

To the shareholders and Audit Committee of Iveco Group N.V.

Our conclusion

We have performed a limited assurance engagement on the (consolidated) sustainability statement for 2025 of Iveco Group N.V. based in Amsterdam (hereinafter: the company) included in the section “Sustainability Statement” of the accompanying management report, including the information incorporated in the sustainability statement by reference (hereinafter: the sustainability statement).

Based on our procedures performed and the assurance evidence obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects:

- Prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and in accordance with the double materiality assessment process carried out by the company to identify the information reported pursuant to the ESRS.
- Compliant with the reporting requirements provided for in Article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”) supplemented by Commission Delegated Regulation (EU) 2026/73.

Basis for our conclusion

We have performed our limited assurance engagement on the sustainability statement in accordance with Dutch law, including Dutch Standard 3810N, 'Assurance-opdrachten inzake duurzaamheidsverslaggeving' (Assurance engagements relating to sustainability reporting) which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information'.

Our responsibilities in this regard are further described in the section ‘Our responsibilities for the limited assurance engagement on the sustainability statement’ of our report.

We are independent of Iveco Group N.V. in accordance with the ‘Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten’ (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the ‘Verordening gedrags- en beroepsregels accountants’ (VGBA, Dutch Code of Ethics for Professional Accountants).

The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matter

Emphasis on the most significant uncertainties affecting the quantitative metrics

We draw attention to section 1.1 General basis for the preparation of the Sustainability Statement in the sustainability statement that identifies the quantitative metrics that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the company has made in measuring these in compliance with the ESRS.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

Emphasis on the double materiality assessment process

We draw attention to section 1.9 Identifying and assessing material impacts, risks, and opportunities (IRO-1) and 1.4 Statement on due diligence (GOV-4) of the sustainability statement. This disclosure explains that due diligence is an on-going practice that responds to and may trigger changes in the company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts and that the double materiality assessment process may also be impacted in time by sector-specific standards to be adopted or developments in stakeholder expectations, regulatory developments, changes in risk management or new business developments. The sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion is not modified in respect of these matters.

Limitations to the scope of our assurance engagement

In reporting forward-looking information in accordance with the ESRS, the board of directors of the company are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events and actions that have not yet occurred and may never occur. We do not provide assurance on the achievability of this forward-looking information.

Our conclusion is not modified in respect of this matter.

Responsibilities of the board of directors for the sustainability statement

The board of directors is responsible for the preparation of the sustainability statement in accordance with the ESRS, including the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the sustainability statement, the board of directors is responsible for compliance with the reporting requirements provided for in Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") supplemented by Commission Delegated Regulation (EU) 2026/73.

Furthermore, the board of directors is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

The Audit Committee is responsible for overseeing the sustainability reporting process including the double materiality assessment process carried out by the company.

Our responsibilities for the limited assurance engagement on the sustainability statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance that the sustainability statement is free from material misstatements. The procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We apply the applicable quality management requirements pursuant to the 'Nadere voorschriften kwaliteitsmanagement' (NV KM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Our limited assurance engagement included among others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the company, its activities and the value chain and its key intangible resources in order to assess the double materiality assessment process carried out by the company as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS.
- Obtaining through inquiries a general understanding of the internal control environment, the company's processes for gathering and reporting entity-related and value chain information, the information systems and the company's risk assessment process relevant to the preparation of the sustainability statement and for identifying the company's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") supplemented by Commission Delegated Regulation (EU) 2026/73, without obtaining assurance information about the implementation, or testing the operating effectiveness, of controls.
- Assessing the double materiality assessment process carried out by the company and identifying and assessing areas of the sustainability statement, including the disclosures provided for in Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") supplemented by Commission Delegated Regulation (EU) 2026/73 where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ('selected disclosures'). We designed and performed further assurance procedures aimed at assessing that the sustainability statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the double materiality assessment process in the sustainability statement made by the board of directors appears consistent with the process carried out by the company.
- Performing analytical review procedures on quantitative information in the sustainability statement, including consideration of data and trends in the information submitted for consolidation at corporate level.
- Assessing whether the company's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends; however, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the board of directors' estimates.
- Analysing, on a limited sample basis, relevant internal and external documentation available to the company (including publicly available information or information from actors throughout its value chain) for selected disclosures.

- Reading the other information in the annual report to identify material inconsistencies, if any, with the sustainability statement.

- Considering whether:
 - the disclosures provided to address the reporting requirements provided for in Article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”) supplemented by Commission Delegated Regulation (EU) 2026/73 for each of the environmental objectives, reconcile with the underlying records of the company, are consistent or coherent with the sustainability statement and appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met;
 - the key performance indicators disclosures have been defined and calculated in accordance with the Taxonomy reference framework as defined in Appendix 1 Glossary of Terms of the CEAOB Guidelines on limited assurance on sustainability reporting adopted on 30 September 2024 and in compliance with the reporting requirements provided for in Article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”) supplemented by Commission Delegated Regulation (EU) 2026/73, including the format in which the activities are presented.
- Considering the overall presentation, structure and the fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the sustainability statement, including the reporting requirements provided for in Article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”) supplemented by Commission Delegated Regulation (EU) 2026/73.
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether the sustainability statement as a whole is free from material misstatements and prepared in accordance with the ESRS.

Utrecht, 4 March 2026

Deloitte Accountants B.V.

M.R. van Leeuwen