

# **IVECO GROUP N.V.**

## **CHARTER OF THE COMPENSATION COMMITTEE**

**(Adopted by the Board of Directors on 1 January 2022)**

Article 14 of the Articles of Association of **Iveco Group N.V.** (the “Company”), as well as, for so long as the shares in the Company are listed on Euronext Milan (“Euronext”), the rules of Euronext and, for so long as shares of the Company are listed on any stock exchange, the Dutch Corporate Governance Code (“DCGC”), require the board of directors of the Company (“the Board of Directors”) to appoint a Human Capital and Compensation Committee (the “Committee”) having certain duties and powers, including those that may be determined from time to time by the Board of Directors. Therefore, the Board of Directors of the Company has adopted this Charter of the Committee.

### **1. OBJECTIVE**

The function of the Committee shall be to assist and advise the Board of Directors’ oversight of:

- (1) executive compensation;
- (2) remuneration policy to be pursued;
- (3) compensation of non-executive directors;
- (4) the Company’s remuneration policy and remuneration report; and
- (5) certain human capital management matters.

### **2. MEMBERSHIP, ORGANIZATION AND MEETINGS**

The Committee shall be composed of at least three non-executive directors of the Company (each a “director” and all directors of the Company jointly, the “directors”). The Board of Directors will appoint one of the members of the Committee as Chairperson of the Committee (the “Chairperson”). At least one of the members of the Committee will be independent under the DCGC.

In the event that a member of the Committee, who has been designated under the DCGC as independent, is or becomes aware of any circumstance, which may reasonably impair or be reasonably perceived to impair his/her independence, he/she shall inform the chairperson of the Board of Directors and the chairperson (or in the case of the chairperson, the other members of the Committee) thereof promptly. The Committee shall consult with the Board of Directors in order to determine whether there is sufficient cause for resignation from, or termination of, the member’s membership on the Committee.

The Committee shall meet at such time and place as the Chairperson or a majority of the members of the Committee shall determine, but at least once every year.

A quorum of the Committee shall consist of a majority of the members thereof (and if the Committee consists of an even number of members, at least one-half) and if there is a tie in a vote, the Chairperson of the Committee shall have a casting vote.

The Head of the Company's Human Resources and the corporate secretary will generally attend the meetings of the Committee, unless the Committee on an ad hoc basis decides otherwise. The Chairperson may invite other Company officers to attend the meetings, as he or she deems appropriate. However, the Committee shall meet without such officers at meetings at which the particular officer's compensation or performance is discussed or determined. For the avoidance of doubt, no executive director shall participate in the decision making relating to the compensation of executive directors.

Minutes must be kept of the proceedings at the Committee's meetings. The minutes will state the time and place of the meeting, list the persons attending the meeting, and summarize the matters discussed. The minutes shall be confirmed by the Chairperson and secretary (if any) of the meeting, signed by them and filed with the minutes of the proceedings of the Committee.

The members of the Committee may participate in meetings of the Committee by means of telephone or video conference or similar communications equipment provided that all persons participating in the meeting can hear, and be heard by, one another.

The Committee shall review and reassess periodically the adequacy of the Committee Charter and recommend to the Board of Directors any amendments to the Charter that the Committee considers necessary or appropriate.

### **3. DUTIES AND RESPONSIBILITIES**

Until further action is taken by the Board of Directors and consistent with the primary function of the Committee, the Committee shall subject to the requirements of the laws of the Netherlands have the following duties and responsibilities:

- (i) propose to the Board of Directors any amendments (in accordance with Section 2:135a of the Dutch Civil Code and Best Practice provision 3.1.2 of the DCGC) to the remuneration policy to be pursued by the Company as the Committee deems necessary or appropriate;
- (ii) annually prepare the remuneration report in accordance with Section 2:135b of the Dutch Civil Code and Best Practice provision 3.4.1 of the DCGC;
- (iii) review and approve (or in the case of awards under equity incentive plans, recommend for approval) the remuneration structure for the executive directors, the amount of the fixed remuneration, the equity incentive plans to be granted and/or variable remuneration components, pension rights, post mandate indemnities, and other form of compensation, as well as other forms of compensation to be awarded, as well as the performance criteria, and their application;

- (iv) prepare an annual performance evaluation of the Committee which shall be conducted in such manner as the Committee deems appropriate;
- (v) implement and oversee the remuneration policy as it applies to non-executive directors and recommend to the Board of Directors any amendments as contemplated above;
- (vi) implement and oversee the remuneration policy as it applies to the executive officers and other senior officers reporting directly to the executive directors of the Company;
- (vii) submit a proposal, in accordance with the remuneration policy, concerning the compensation of individual executive directors, (a) which proposal will in any event cover the compensation structure, the amount of the fixed and variable remuneration components, the performance criteria used, the scenario analyses that are carried out and the pay ratios within the Company and its affiliated enterprise, and (b) taking into account the executive directors' views on the proposal, amongst others, with regard to the amount and structure of their own compensation whereby the Committee shall ask the executive directors to pay attention to the aspects referred to in paragraph 3(i) of this Chapter;
- (viii) administer all the equity incentive plans and the deferred compensation benefits plans;
- (ix) discuss with management the Company's policies and practices related to compensation items and issue recommendations thereof; and
- (x) assist the Board of Directors with the periodical review of:
  - (A) development and succession plan for the Senior Leadership Team;
  - (B) the Company's policies and initiatives related to equal employment opportunity, as well as diversity, equity, and inclusions; and
  - (C) the Company's program designed to measure and improve overall employee engagement.

#### **4. AUTHORITY AND RESOURCES**

The Committee shall have and may exercise all the powers and authority of the Board of Directors of the Company in connection with the review, approval, and implementation of the procedures hereinabove contemplated.

The Committee shall report regularly to the Board of Directors regarding its actions and make recommendations to the Board of Directors as it considers appropriate.

In performing its duties and exercising its authority, the Committee may utilize the services of the appropriate personnel of the Company and its subsidiaries. The Company's Human Resources functions shall provide support to the Committee as the Committee deems necessary or appropriate.

The Committee shall have the resources, funding, and authority, in its sole discretion and without the necessity of approval of the Board of Directors, to select, retain, and obtain the advice of external advisers, including consultants, external counsel, or other advisors (each an “Adviser”) through the Company’s corporate secretary or head of Human Resources, as necessary or appropriate to assist with the execution of its duties and responsibilities as set forth in this Committee Charter. The Committee shall be directly responsible for the appointment, nomination and oversight of the work of any Adviser it retains.

The Committee shall evaluate whether any Adviser retained or to be retained has any, perceived or actual, conflict of interest.

The Company shall provide for appropriate funding, as determined by the Committee, in its capacity as a committee of the Board of Directors, for payment of:

- (i) reasonable compensation to any Advisers engaged by the Committee; and
- (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee may form and delegate authority to subcommittees as and when the Committee considers it appropriate.