



Marelli Climate Transition Plan

FY 2025

Data current as of Dec. 31, 2025

Prepared by Armonia Consulting

CONTENTS

Foreword	03
Introduction	04
Governance	05
Climate Scenarios	06
Climate Risks and Opportunities	07
Metrics and Targets	09
Our Transition Pathway	12

Prepared with reference to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, the IFRS Sustainability Disclosure Standards (ISSB S2), the European Sustainability Reporting Standards (ESRS E1) and the GHG Protocol, and aligned with the Transition Plan Taskforce (TPT) Disclosure Framework and CDP guidance.

Foreword

For Marelli, the transition to a low-carbon economy is reshaping our industry. The vehicles our customers produce are changing, as are the materials we source and the expectations of investors, regulators and wider society. We aim to play an active role in that transition.

We have already made significant progress. Since 2022, we have reduced emissions from our own operations by around 72%, and 84% of our electricity now comes from renewable sources. This progress has been recognized through an EcoVadis Platinum rating and CDP A- scores for climate and water. Our emission-reduction targets are validated by the Science Based Targets initiative, with an overarching goal of reaching net zero across our value chain by 2045.

This plan sets out how we intend to deliver against that ambition. It assesses the risks and opportunities associated with the transition, including those arising from our exposure to the combustion-engine market, and the physical risks to which our operations are exposed. It is grounded in the latest climate science (including the IPCC Sixth Assessment Report) and informed by a range of recognized climate scenarios (the IEA Net Zero and Stated Policies scenarios, the NGFS scenarios and the IPCC SSP1-2.6 and SSP5-8.5 pathways), and focused on the transition areas most relevant to Marelli's business and long-term value.

The greatest challenge lies ahead, and it sits in our value chain: not only the emissions embedded in the goods we purchase and the products we sell, but also the cost, availability and resilience of the critical materials and suppliers we depend on. Progress will depend on continued collaboration with our suppliers, customers and employees. We recognize the scale of the work required to achieve our goals and are committed to tracking our progress as our business continues to grow.

"Our industry is shifting from a market dominated by combustion engines to a new one where such technology will be increasingly accompanied by electric vehicles and alternative fuels. We are determined to move with our customers through that shift — and to help lead the way."

— Denise Lana Molina, Head of Sustainability, Marelli



Introduction

This Climate Transition Plan brings together, in one place, how Marelli sees the low-carbon transition and how it intends to navigate it. It provides a consolidated view of Marelli’s current direction, actions and planned next steps, and is relevant to investors, customers, and those who will review our disclosures. Increasingly, we aim to support our customers as a component supplier and an innovation and decarbonization partner, one whose engineering and progress can help them meet their own climate commitments.

23 countries	150+ sites	40k+ colleagues
------------------------	----------------------	---------------------------

Marelli is one of the world’s leading global independent suppliers to the automotive sector. With a strong and established track record in innovation and manufacturing excellence, our mission is to transform the future of mobility through working with customers and partners to create a safer, greener and better-connected world. With more than 40,000 employees worldwide, the Marelli footprint includes 150+ facilities and R&D centers across Asia, the Americas, Europe, and Africa. We create solutions that redefine the driving experience and enable our customers to differentiate their vehicles. Our portfolio includes lighting, electronics, interiors, propulsion, shock absorbers, suspensions, exhaust and thermal technologies. This unique breadth allows us to offer integrated and stand-alone software and hardware solutions for the software-defined age of mobility.



Governance

Marelli's approach to climate change does not sit in isolation; it is embedded in our processes. Oversight sits with our board of directors, supported by a Sustainability Council that carries climate and sustainability considerations into the decisions that shape the business. The strength of that structure shows in the external recognition we have earned. Ownership of this plan sits with the global Head of Sustainability, with CDP disclosures signed off by the chief legal officer.

Accountability is clear. Climate targets are set by the Sustainability Council and approved by the board through its Nomination, Governance and Human Capital Committee. Progress is monitored monthly by the Group Executive Committee and reported to the board quarterly, and the targets are built into performance management from executive level to plant managers, so delivery is owned across the business rather than by a reporting team in isolation. The risks and opportunities in this plan were identified and rated by our own executives through a structured review. This plan is enforced since December 2025.



Climate Scenarios

We test our thinking against contrasting futures, using two complementary sets of scenarios: one for the risks created by the transition itself, and one for the physical effects of a changing climate. Transition risks are assessed under an orderly and a weak transition across three horizons (short, medium and long term); physical risks are assessed under a low-emissions and a high-emissions pathway at 2030 and 2050, which are the standard projection years for these scenarios and align with our 2030 and mid-century target milestones. The short (0–3 years), medium (3–10 years) and long-term (10+ years) horizons follow common climate-disclosure practice and are aligned with Marelli’s own strategic and financial-planning timeframes.

LOWER-EMISSION PATHWAYS

TRANSITION

Orderly 1.5°C (IEA Net Zero and NGFS Net Zero 2050)

Policy, technology and capital pull in the same direction: carbon prices rise steadily, the switch to electric vehicles accelerates and customers demand low-carbon products quickly. More action is required, and early movers are rewarded.

PHYSICAL

SSP1-2.6

The low-emissions pathway used for physical risk, broadly consistent with the orderly transition.

HIGHER-EMISSION PATHWAYS

TRANSITION

Weak transition (IEA Stated Policies and NGFS Current Policies)

The world does roughly what today’s policies imply and no more. Carbon pricing tightens slowly and electric-vehicle adoption is patchy.

PHYSICAL

SSP5-8.5

The high-emissions pathway used for physical risk, a world that does not decarbonize and in which physical hazards build most sharply.

IEA: International Energy Agency. NGFS: Network for Greening the Financial System. SSP: Shared Socioeconomic Pathway (the IPCC scenario framework).

Climate Risks and Opportunities

We assess two types of climate risk. Transition risks come from the shift to a low-carbon economy: changing policy, technology and customer demand. Physical risks come from the changing climate itself: floods, drought and heat. We look at each through its own process, and in both we focus on what is large enough to be financially material, judged against our enterprise risk-management practices.

Transition risks and opportunities

We identified transition risks and opportunities through horizon scanning of standards and benchmark companies, through the engagement of informed internal stakeholders and a final structured executive-led review. Working from a defined set of transition drivers, spanning policy and legal, technology, market and reputational change, our own senior leaders across the business score each risk and opportunity for magnitude and likelihood, so that the assessment reflects direct operational knowledge rather than a desk exercise. Each item is then valued under both transition scenarios across the three horizons, and those that reach our substantive threshold are carried forward into this plan.

The transition risks that matter most to us are:

The shift from combustion engines to electric vehicles, which changes the exposure of our current product portfolio. This is one of our most significant transition exposures.

The rising cost and constrained availability of transition materials such as copper, aluminum and rare earths, driven by competition as the whole industry electrifies.

Carbon costs passed through by our suppliers, as the EU Emissions Trading System and the Carbon Border Adjustment Mechanism raise the cost of carbon-intensive inputs.

Meeting our customers' decarbonization requirements, where business increasingly goes to the suppliers with the best low-carbon credentials.

We also assess other transition risks, including direct carbon pricing, the capital needed to transform our plants, supplier reporting costs and reputation; these do not reach the level that would make them financially material.

The opportunity that matters most to us is:

The opportunity assessed as substantive under our current methodology is the growth of our electric-vehicle product portfolio, driven by an electrifying industry's demand for components such as battery thermal management and power electronics. As our customers shift from a market dominated by combustion engines to a new one where such technology will be increasingly accompanied by electric vehicles and alternative fuels, this is where Marelli creates the most value for the OEMs we supply: partnering on the low-carbon, electrified components their own climate commitments depend on. Alongside this opportunity sit real gains from energy efficiency, cleaner energy, preferred-supplier status and a more resilient supply chain.

Physical climate risks

We assess physical risk at the level of individual sites, using a specialist climate-risk tool. The assessment covers our operational perimeter of manufacturing and warehouse locations, for present-day conditions and for both emissions pathways in 2030 and 2050. For each site we measure how much of its value sits in the highest hazard bands, and we focus on the hazards large enough to be financially material.

These sites span Europe, Asia and the Americas. The hazards that matter most, and where they concentrate, are:

River flooding and extreme rainfall, our largest physical exposure, weighted toward our European operations, with our highest-risk sites in Germany (Reutlingen) and Italy (the two Tolmezzo sites), and further exposure in China, Japan and Thailand.

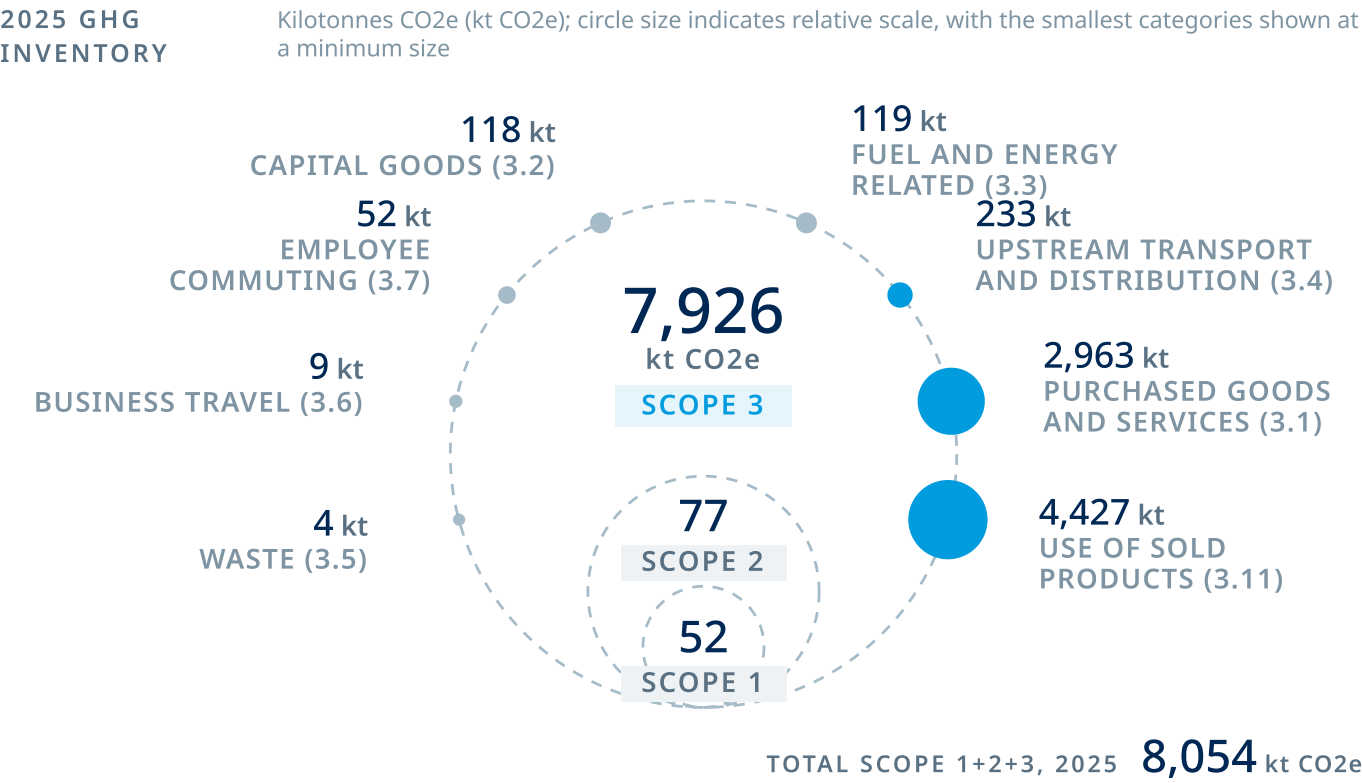
Drought and water stress, rising across southern Europe, parts of Asia and the Americas (notably Italy and Mexico).

Heat, presenting as both heat waves and heat stress, growing in frequency and impact from around 2050 and most sharply under the high-emissions pathway, across our warmer locations.

Other hazards, including surface-water (pluvial) flooding, storm surge and sea-level rise, windstorm and wildfire, were assessed but are not financially material.

Metrics and Targets

Our total emissions footprint in 2025 was approximately 8,054 kt CO₂e (about 8.1 million tonnes). Around 98% of this comes from our value chain (Scope 3), making progress beyond our own operations critical to achieving our climate targets.



Scope 1 and 2 (own operations) total 128 kt CO₂e, 1.6% of the footprint. Scope 3 accounts for 98.4%, of which the use phase of sold products (3.11) and purchased goods and services (3.1) together are around 90%.

SBTI-VALIDATED TARGETS

Our targets are validated by the Science Based Targets initiative (SBTi). In the words of the validated commitments:

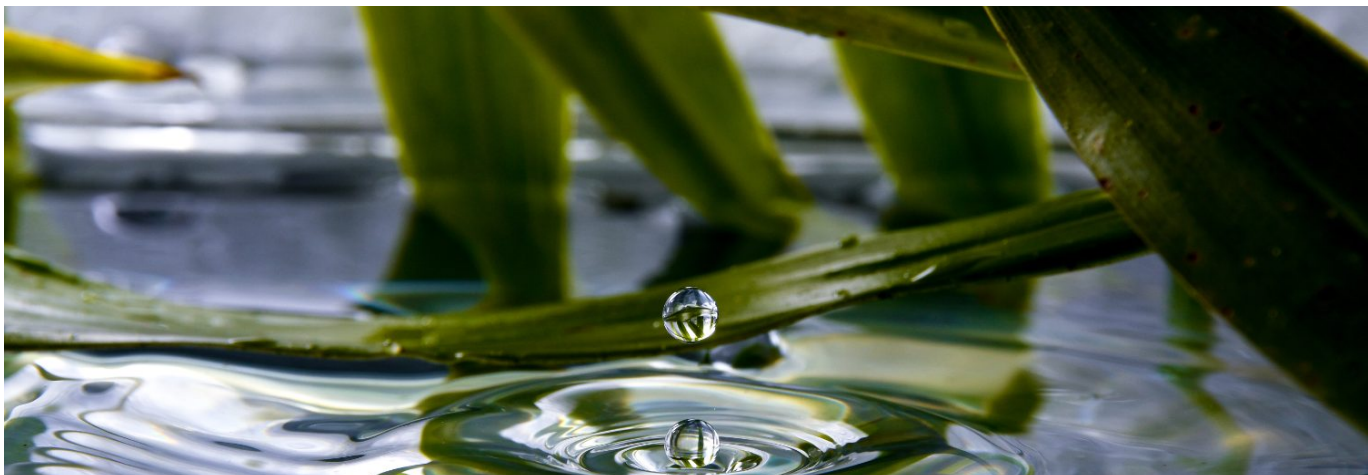
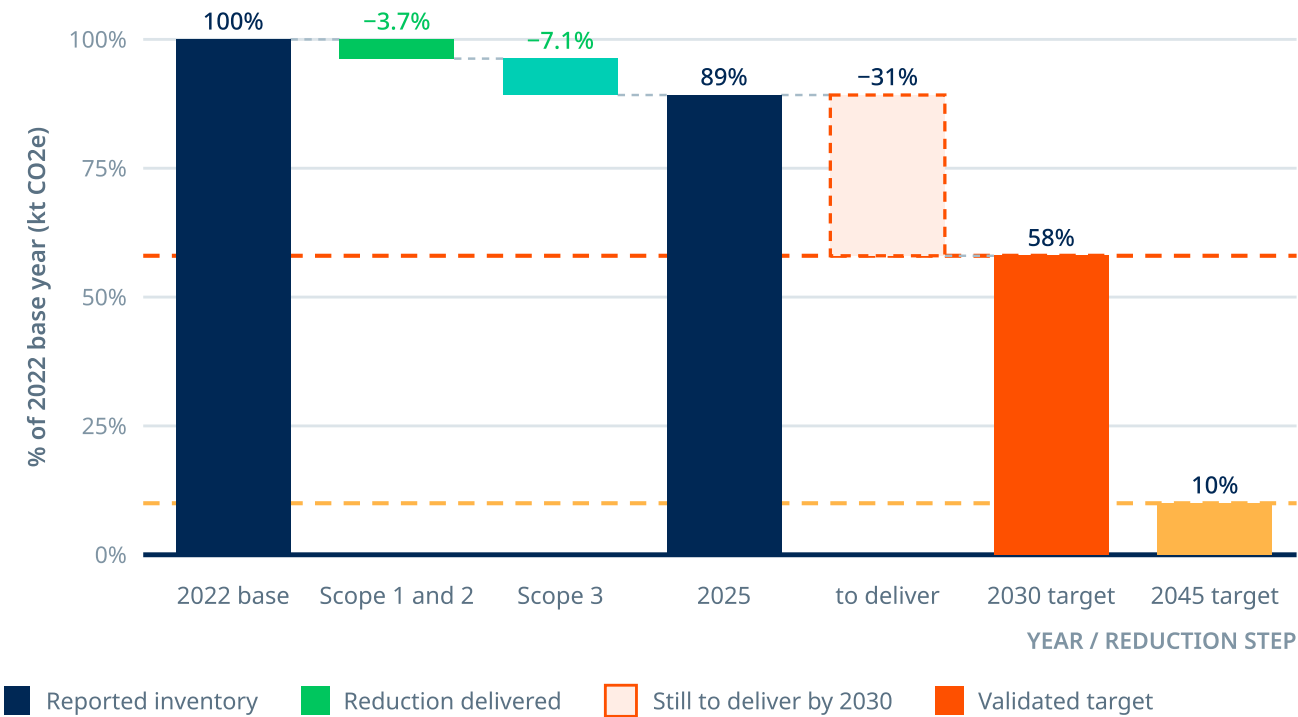
-42% BY 2030 "Marelli commits to reduce absolute Scope 1, 2 and 3 GHG emissions 42% by 2030 from a 2022 base year."	-90% BY 2045 "Marelli commits to reduce absolute Scope 1, 2 and 3 GHG emissions 90% by 2045 from a 2022 base year."	Net zero BY 2045 "Marelli commits to reach net-zero greenhouse gas emissions across the value chain by 2045."
--	--	--

Both the near-term and long-term reductions are validated at the same rate for Scope 1 and 2 and for Scope 3 individually, and are classified by the SBTi as aligned with a 1.5°C pathway. Net zero by 2045 means at least a 90% absolute reduction against the 2022 baseline, with residual emissions only (below 10% of the baseline) neutralized through high-quality removals.

Progress against our targets

BURNDOWN, TOTAL SCOPE 1, 2 AND 3

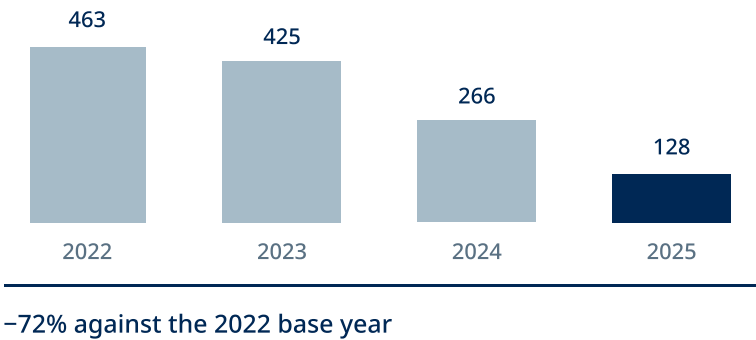
Percentage of 2022 base-year emissions (9,028 kt CO2e indexed to 100%)



Progress is already visible. Emissions from our own operations (Scope 1 and 2) are around 128 kt CO₂e in 2025, 72% below the 2022 baseline, driven by renewable electricity, energy efficiency and changes in the operational footprint. Across the full inventory, total emissions (Scope 1, 2 and 3) were about 11% below the 2022 baseline in 2025, the first years of progress toward the 42% reduction targeted for 2030. Within the value chain, emissions from purchased goods and services (Scope 3.1) are 26% below the baseline and upstream transport (Scope 3.4) is 30% below, while the use phase of our sold products (Scope 3.11), our largest category, depends on the pace of industry electrification and is addressed through our product strategy. These targets also sit alongside tightening binding regulation, notably EU fleet CO₂ standards accelerating the shift to electric vehicles, which reinforces the direction of our near- and long-term goals.

OWN OPERATIONS, SCOPE 1 AND 2

kt CO₂e, market-based



Emissions and renewable-electricity figures are stated on the GRI and SBTi target-boundary perimeter and may differ from percentages in the sustainability report, which uses active operational perimeter.

Our Transition Pathway

Our decarbonization strategy is anchored in the methodology of the Science Based Targets initiative, which validated our near-term and net-zero targets in early 2025. It prioritizes real emissions reductions over offsets and removals, with a clear end goal: net zero across our value chain by 2045. We see this work as central to the partnership our customers value: as the industry electrifies, we aim to support them as an innovation and decarbonization partner, one whose own progress and engineering can help them meet their commitments. To direct effort where it counts, we use life-cycle assessments to identify the decarbonization levers with the greatest potential across our products and operations.

Own operations (Scope 1 and 2). This is where we have moved fastest. Scope 1 and market-based Scope 2 emissions have decreased substantially against the 2022 baseline, reflecting increased renewable-electricity sourcing, energy-efficiency measures, operational initiatives and changes in the operational footprint; we monitor organic and footprint-related reductions separately. This is the progress our customers most often ask us to demonstrate, and it underpins our credibility as a decarbonization partner. The main levers are: renewable electricity (secured through renewable energy certificates, on-site solar generation and power purchase agreements), energy-efficiency programs and manufacturing-system diagnostics across our plants, electrification of process heat in place of gas and other fuels, fuel substitution and waste-heat recovery. Renewable electricity reached 84% in 2025 and is targeted at 100% by 2028.



Purchased goods and services (Scope 3.1). Emissions from the goods we buy have fallen by almost a quarter since 2023. Three levers drive this: engaging suppliers and replacing spend-based estimates with supplier-specific (primary) data; moving to lower-carbon materials (including green and electric-arc-furnace steel, recycled aluminum and recycled plastics); and eco-design, lightweighting and scrap reduction. Purchased-goods emissions are already 26% below the 2022 baseline¹, and a scaling program of supplier decarbonization, wider primary-data coverage and material substitution is building the further reductions ahead. These actions are tracked across our business divisions, with defined measures, owners and implementation dates, and together add up to about 524 kt CO₂e of annual reductions once fully implemented (with implementation dates running through to 2028):

Planned reduction by 2028 (kt CO₂e)

DIVISION	KT CO ₂ E	LEAD ACTIONS
Green Technologies	135	Lower-carbon and recycled metals; supplier primary data
Ride Dynamics	98	Lower-carbon steel; cleaner processes; supplier roadmaps
Electronics	93	Supplier decarbonization; lower-carbon electronics design
Lighting	72	Recycled materials; component lightweighting and redesign
Propulsion	71	Primary data; recycled and lower-carbon materials
Interiors	55	Recycled materials; supplier reductions
Total	524	

¹ This achieved reduction in emissions is calculated on the perimeter consistent with GRI and SBTi disclosures, which differ from some parts of the Sustainability Report, which uses a different consolidation perimeter.

Use of sold products (Scope 3.11). This is our largest category and emissions are not yet on a downward trajectory. Because these emissions arise when our products are used by drivers on the road, they depend on the energy efficiency of what we sell. Reducing them starts at the drawing board: our Design for Sustainability approach is now fully embedded in how we innovate, applied across 100% of our innovation projects and 88% of processes in development, so that lower-carbon materials, energy efficiency and recyclability are considered from the earliest design stages. Building on this, our response is to grow the electrified, lower-energy product portfolio described in the Climate Risks and Opportunities section, so that our long-term footprint falls as the vehicle fleet turns over. These use-phase emissions, together with the combustion-engine-linked portion of our product base, represent the emissions effectively locked in by products already sold or in production; any actions we are taking now will be visible by start of production and will be triggered by electrification of the fleet.

PRODUCT ENERGY-EFFICIENCY TARGETS, 2026-2028

-22%

average use-phase power consumption of active devices, in innovation programs

-5%

at minimum, in series production, both against a 2025 baseline

Use-phase emissions from sold products were first estimated in 2024, the last inventory category we brought into measurement, and applied retroactively to our 2022 baseline; Marelli is among the first Tier-1 suppliers to have developed a methodology for this category. They are quantified for our direct energy-consuming products using a dedicated calculation tool aligned with the GHG Protocol. The decarbonization of electricity grids globally is expected to reduce these emissions further over time.

Upstream transport (Scope 3.4). Currently addressed through route optimization, warehouse-footprint rationalization, carrier engagement and reducing reliance on air freight, with a 34% reduction targeted by 2028.

Residual emissions. Consistent with the SBTi approach, we intend to cut emissions as far as possible before turning to removals. Only the residual emissions that remain, below 10% of the baseline, will be neutralized, using high-quality carbon-removal solutions aligned with SBTi criteria.

Investing in the plan. Delivering the pathway takes investment in several areas: renewable electricity (power purchase agreements and on-site solar), electrification of process heat, plant energy-efficiency projects, supplier-decarbonization and primary-data programs, lower-carbon materials, and product carbon-footprint capability. The Company's five-year plan sets aside about EUR 34 million of decarbonization capital expenditure for 2026 to 2028 (roughly EUR 11 million a year) and about EUR 44 million for 2029 to 2030, covering Scope 1, Scope 3 and energy-efficiency measures. The main annual running costs are energy audits (about EUR 2.5 million), product carbon-footprint and life-cycle-assessment work (about EUR 0.4 million a year) and supplier due diligence (about EUR 0.2 million a year). Many other actions are delivered largely within existing functions, and research and development is being progressively reoriented from combustion engines toward alternative fuels and electric vehicle platforms.

Keeping the plan honest. An internal carbon price was piloted in 2025 across selected Scope 1 and 2 capital-expenditure decisions and procurement choices related to purchased goods (Scope 3.1), with deeper integration planned from 2026, so that the cost of the transition is visible wherever capital is committed. For capital projects, the shadow price reflects the expected future cost of the carbon removals needed to neutralize residual operational emissions. For procurement, it is set in line with forecast EU ETS and CBAM prices. From 2026 we are integrating it more deeply into investment approval and procurement, and developing more detailed medium- and long-term decarbonization investment plans to support the 2030 and 2045 targets. We are candid that reducing use-phase emissions is the harder half of the task and will depend partly on developments across the wider industry.

