

IVECO Madrid plant achieves Gold Level in World Class Manufacturing

The IVECO plant in Madrid is the first of CNH Industrial's 64 facilities located around the world to achieve the highest level in manufacturing excellence

Achieving the Gold WCM Level has required a profound transformation of production systems as well as significant environmental and safety improvements, in which the involvement of everyone at the plant has been essential

The Madrid plant manufactures the heavy line of IVECO vehicles, which consists of the New Stralis NP and XP, and Trakker ranges for the global markets



Madrid, 7 April 2017

The IVECO plant in Madrid, Spain, is the first manufacturing facility of the CNH Industrial Group to reach **Gold Level in the World Class Manufacturing (WCM) program** - one of the global manufacturing industry's highest standards for the integrated management of manufacturing plants and processes. With this achievement, the plant is now the highest ranking facility in terms of manufacturing excellence amongst the Group's 64 facilities worldwide.

Pierre Lahutte, IVECO Brand President, commented: "We are very proud of the Madrid plant and its WCM Gold Level. This is a huge achievement, which has been made possible by the teamwork, commitment and determination of everyone here at the plant. We have made important investments in the facility, and through the sustained efforts of all the people involved in the production we have completely overhauled the manufacturing processes. The result is best-in-class quality for every single vehicle that leaves the assembly plant."

Tom Verbaeten, CNH Industrial Chief Manufacturing Officer, added: "We started work on re-engineering all the processes at our plant 10 years ago, and it has been a relentless effort in continuous improvement. Today the plant is at the very top in terms of manufacturing quality. We have reached the very best-in-class level, but this is not the point of arrival: it is the beginning of our next era of excellence, and we will be working just as hard in this continuous improvement process to bring our customers the very best quality in their IVECO trucks."

The Madrid plant has achieved the best results in its history in this WCM audit as a result of the improvements it has introduced over the years, which have translated into a continuous increase in safety, high quality in the processes and products, and a level of service of 100%. In addition, the plant's exceptional environmental improvements have resulted in a 53% reduction in CO₂ emissions per manufactured vehicle and in the facility recycling 99% of its waste.

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The majority of these improvements have been possible thanks to the involvement of the plant's employees through a suggestions program, in which the Madrid plant is a global reference within the Group with 28 suggestions made by each employee every year.

The Madrid plant: from Spain to the rest of the world

The Madrid IVECO plant hosts the production lines and Research & Development centre for the brand's heavy range: the New Stralis, both in its diesel version, the Stralis XP, and in the CNG and LNG versions, Stralis NP, as well as the Trakker. The flexible and complex production process of the site enables it to produce up to 300,000 different versions of these vehicles. 87% of this production is destined for export, mainly to European markets, but also to Africa, Asia and South America.

The plant employs over 2,500 people, with the highest percentage of female employees in the Spanish automotive sector: 21%. Last year the site received the Kaizen Institute's Excellence Award in the System of Continuous Improvement category.

Madrid: a factory full of history

IVECO acquired the Madrid facility in 1990, when it took over the historic Spanish truck brand Pegaso. In 2016, the facility celebrated the 70th anniversary of Pegaso and paid homage to a name that was the driving force of industrialization in Spain for many years with the presentation of a Limited Edition Stralis. Pegaso was born in 1946 as Empresa Nacional de Autocamiones (ENASA). The project for the large manufacturing plant in Madrid was started immediately and the first phase of construction was completed in 1955. Pegaso's total production in Madrid, from 1946 to 1990, reached 405,000 units. In 2008, under the name IVECO Pegaso, the manufacturing site reached the milestone of one million sold vehicles.

IVECO and its commitment to Spain

The second IVECO plant in Spain, located in Valladolid, is also among the very best of the 64 plants of CNH Industrial in the world, only one point away from the Gold level.

In 2012, IVECO decided to concentrate all manufacturing activities of its heavy range in Spain, which meant doubling production in the country. Since then, it has invested 500 million euros in the Spanish plants and aims to continue to increase the production capacity and specialization of the two plants in Madrid and Valladolid.

IVECO

IVECO is a brand of CNH Industrial N.V., a World leader in Capital Goods listed on the New York Stock Exchange (NYSE: CNHI) and on the Mercato Telematico Azionario of the Borsa Italiana (MI: CNHI). IVECO designs, manufactures and markets a wide range of light, medium and heavy commercial vehicles, off-road trucks, and vehicles for applications such as off-road missions.

The brand's wide range of products include the Daily, a vehicle that covers the 3 – 7.2 ton vehicle weight segment, the Eurocargo from 6 – 19 tons, the Trakker (dedicated to off-road missions) and the Stralis, both over 16 tons. In addition, the IVECO Astra brand builds off-road trucks, rigid and articulated dumpers as well as special vehicles.

IVECO employs close to 21,000 individuals globally. It manages production sites in 7 countries throughout Europe, Asia, Africa, Oceania and Latin America where it produces vehicles featuring the latest advanced technologies. 4,200 sales and service outlets in over 160 countries guarantee technical support wherever an IVECO vehicle is at work.

For further information about IVECO: www.iveco.com

For further information about CNH Industrial: www.cnhindustrial.com

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