DAIMLER TRUCK

2024 Annual Report

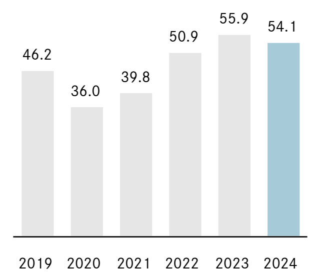
Key Figures for the Group

	2024	2023	2024/2023
Amounts in millions of euros			% change
Unit sales	460,409	526,053	-12
of which zero-emission vehicles	4,035	3,443	+17
Revenue	54,077	55,890	-3 [1]
Revenue of the Industrial Business[2]	50,743	53,216	-5
EBIT	3,592	5,183	-31
EBIT of the Industrial Business	3,487	4,997	-30
Adjusted EBIT	4,667	5,489	-15
Adjusted EBIT of the Industrial Business	4,534	5,278	-14
Return on sales of the Industrial Business (in %)	6.9	9.4	–
Adjusted return on sales of the Industrial Business (in %)	8.9	9.9	–
Return on capital employed of the Industrial Business (in %)	31.1	44.6	–
Net profit (loss)	3,066	3,971	-23
Earnings per share (in €)	3.64	4.62	-21
Free cash flow of the Industrial Business	3,152	2,811	+12
Adjusted free cash flow of the Industrial Business	3,682	3,303	+11
Net liquidity of the Industrial Business (December 31)	8,558	8,322	+3
Investments in property, plant and equipment	1,417	1,026	+38
Research and development expenditure	2,070	1,965	+5
of which capitalized	398	208	+91
Active workforce[3] (December 31)	102,895	104,416	-1

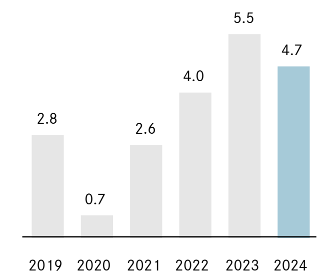
1 Adjusted for exchange rate effects, revenue decreased by 1%.
2 The Industrial Business comprises the vehicle segments Trucks North America, Mercedes-Benz Trucks, Trucks Asia and Daimler Buses, as well as the reconciliation.
3 This reflects the active workforce excluding vacation employment as a full-time equivalent.

Group (amounts in billions of euros)

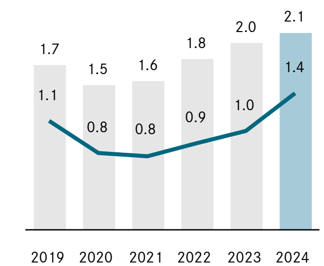
Revenue



Adjusted EBIT

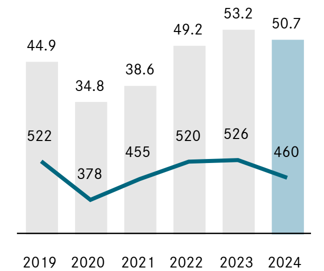


Research and development expenditure
Investments in PP&E

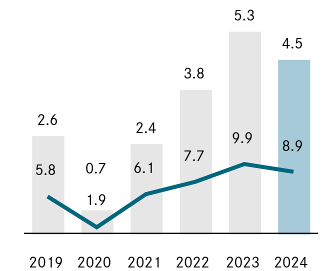


Industrial Business (amounts in billions of euros)

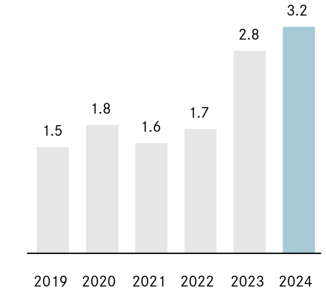
Revenue
Unit sales (in thousands of units)



Adjusted EBIT
Adjusted return on sales (in %)



Free Cash Flow

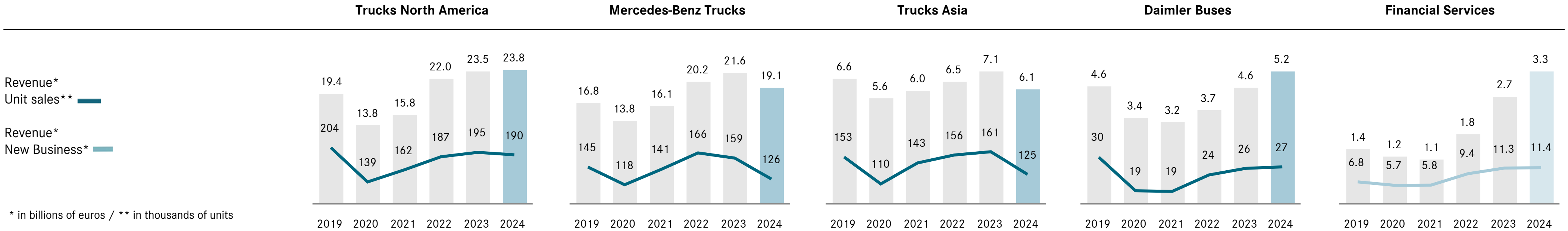


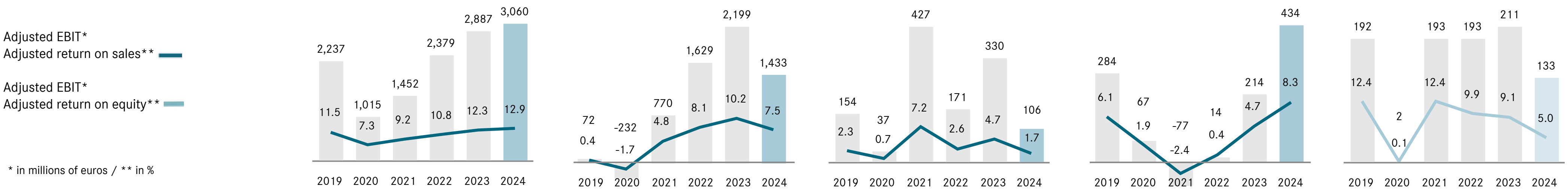
Key Figures for the Segments

	Trucks North America			Mercedes-Benz Trucks			Trucks Asia[4]			Daimler Buses			Financial Services		
	2024	2023	2024/2023	**2024**	2023	2024/2023	**2024**	2023	2024/2023	**2024**	2023	2024/2023	**2024**	2023	2024/2023
In millions of euros			% change			% change			% change			% change			% change
Unit sales	**190,428**	195,014	-2	**126,477**	158,511	-20	**125,234**	161,171	-22	**26,646**	26,168	+2	**–**	–	–
Revenue	**23,781**	23,492	+1	**19,095**	21,638	-12	**6,111**	7,060	-13	**5,247**	4,566	+15	**3,334**	2,674	+25
EBIT	**3,008**	2,887	+4	**1,082**	2,038	-47	**53**	330	-84	**427**	214	+100	**106**	186	-43
Adjusted EBIT	**3,060**	2,887	+6	**1,433**	2,199	-35	**106**	330	-68	**434**	214	+103	**133**	211	-37
Return on sales (in %)[1]	**12.6**	12.3	–	**5.7**	9.4	–	**0.9**	4.7	–	**8.1**	4.7	–	**3.9**	8.0	–
Adjusted return on sales (in %)[2]	**12.9**	12.3	–	**7.5**	10.2	–	**1.7**	4.7	–	**8.3**	4.7	–	**5.0**	9.1	–
Investments in property, plant and equipment	**363**	235	+54	**779**	533	+46	**139**	128	+9	**125**	115	+8	**10**	12	-15
Research and development expenditure	**721**	663	+9	**784**	801	-2	**157**	179	-12	**193**	172	+12	**–**	–	–
of which capitalized	**84**	24	+250	**203**	98	+107	**5**	19	-74	**19**	6	+197	**–**	–	–
New business	**–**	–	–	**–**	–	–	**–**	–	–	**–**	–	–	**11,387**	11,267	+1
Contract volume (December 31)	**–**	–	–	**–**	–	–	**–**	–	–	**–**	–	–	**32,152**	28,277	+14
Active workforce (December 31)[3]	**28,159**	28,833	-2	**38,429**	38,470	-0	**15,938**	16,823	-5	**15,879**	15,480	+3	**1,851**	1,818	+2

1 Return on equity for Financial Services. 2 Adjusted return on equity for Financial Services. 3 This reflects the active workforce excluding vacation employment as a full-time equivalent.

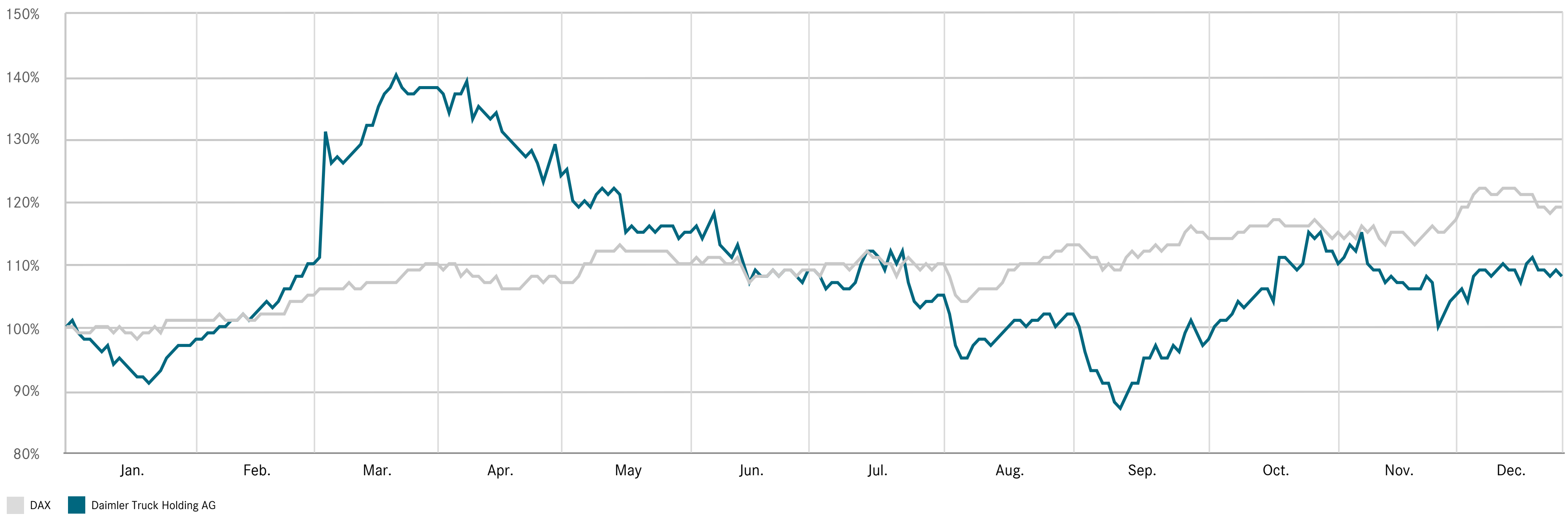
4 The segment result was significantly impacted by a special item of minus €120 million from the full impairment of the equity-investment carrying amount of Beijing Foton Daimler Automotive Co., Ltd. (BFDA) in the second quarter of 2024.



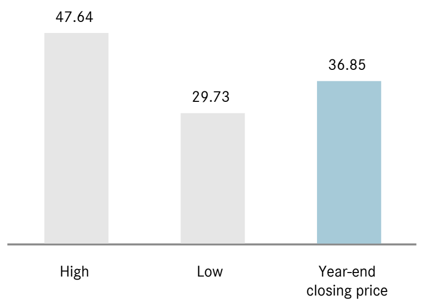


Daimler Truck and the capital market

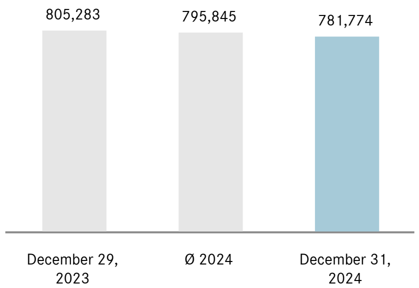
Share price development (indexed) 2024



Development of the Daimler Truck share 2024 (in euros)

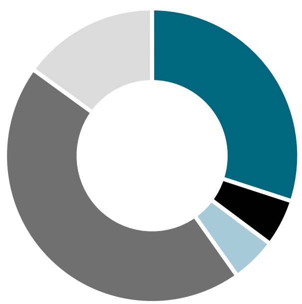


Number of shares outstanding (in thousand)



More information at www.daimlertruck.com/en/investors/share

Shares by ownership (in % according to voting rights announcements, as of December 31, 2024)



- 30.01 % Mercedes-Benz Group AG[1]
- 5.19 % Mercedes-Benz Pension Trust e.V.
- 4.98 % Kuwait Investment Authority
- 44.81 % Institutional Investors
- 15.01 % Retail Investors

1 Excluding voting rights from the shares held indirectly by Mercedes-Benz Pension Trust e.V. that are attributed to Mercedes-Benz Group AG in accordance with the German Securities Trading Act (Wertpapierhandelsgesetz or WpHG).

More information at www.daimlertruck.com/en/investors/share/shareholder-structure

Who we are

energy consumption of the eActros 600:
103 kWh/100 km
in the pre-series vehicle as part of the European Testing Tour. Corresponds to an equivalent consumption of around 10 liters of diesel / 100 km.[2]

42 production sites on **5** continents

employees from **125** countries

128 years of history

founding fathers Gottlieb Daimler and Carl Benz

DAIMLER TRUCK

11 zero-emission vehicles in series production

15,269 kilometers driven by the pre-series vehicle of the eActros 600 on the European Testing Tour 2024.[2]

102,895 employees worldwide[1]

FREIGHTLINER · Thomas Built Buses · Western Star · Mercedes-Benz · FUSO · BharatBenz · RIZON · SETRA · Daimler Truck Financial Services

1 This reflects the active workforce excluding vacation employment as a full-time equivalent at December 31, 2024.
2 With 40 tons total towing weight, near-series prototype with efficiency-maximized overall configuration, rolling resistance-optimized tires in testing (availability planned for 2025) and consumption-optimized driving style.

More information at www.daimlertruck.com/en

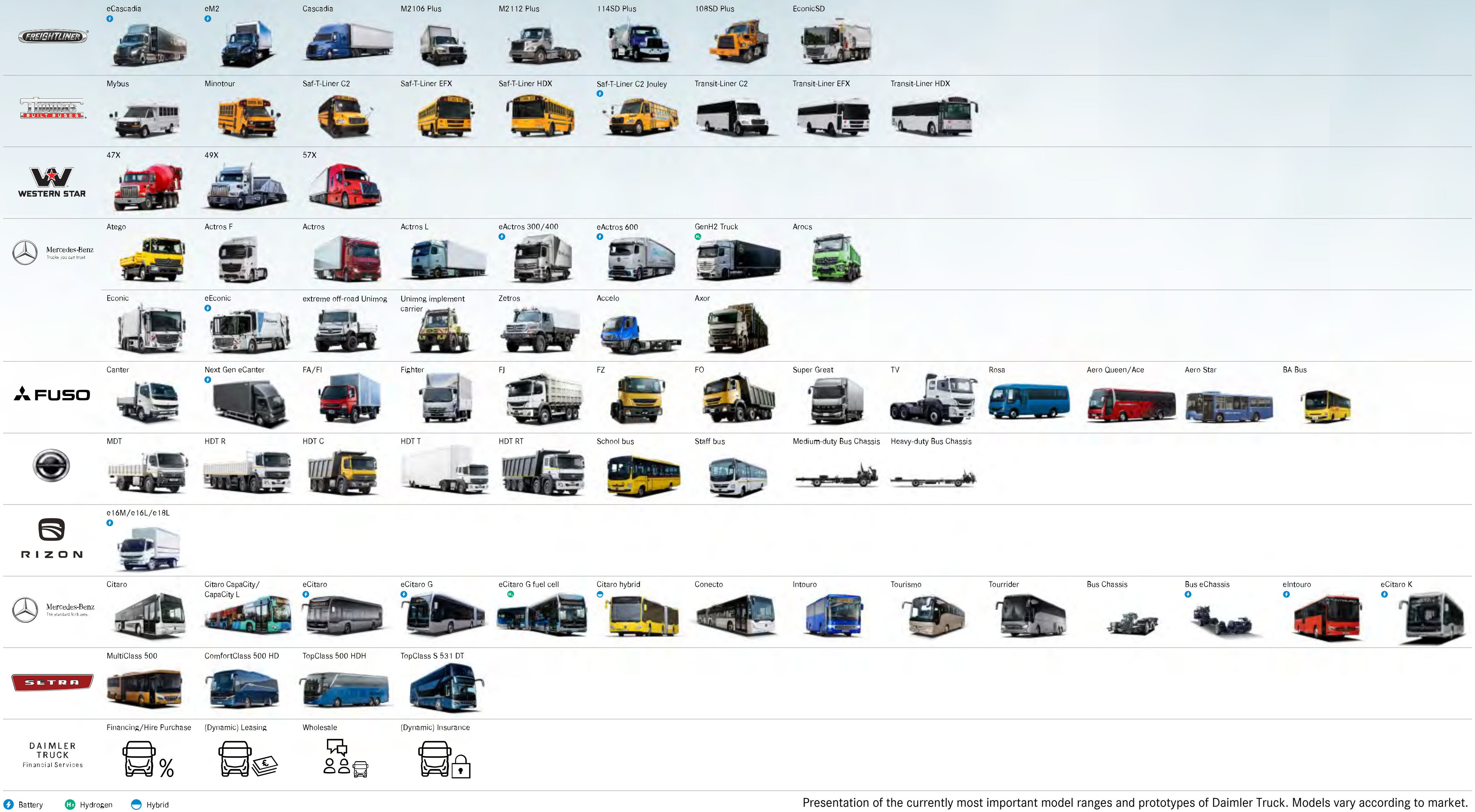
What drives us

Our customers provide reliable, safe transportation worldwide. We are proud to say that we work for everyone who keeps the world moving. This also makes us an important part of society and goes hand in hand with a great responsibility – to our employees, our customers, and all the people who are affected by our business activities.

Our greatest responsibility stems from the growing demand for sustainable transportation. We pursue the goal of advancing the transformation of the automotive industry by developing sustainable transportation solutions. Together with our partners, we are shaping the technology and service transformation of our industry – and aim to lead sustainable transportation, in line with the principles of our founders and in line with our purpose.

We keep delivering – for all who keep the world moving.

For all who keep the world moving: our global brands and products



Presentation of the currently most important model ranges and prototypes of Daimler Truck. Models vary according to market.

About this report

Basics of reporting
In this Annual Report, due to their integrated nature, the financial report is combined with the Daimler Truck Group's Group Sustainability Statement.

The combined management report summarizes the management reports of Daimler Truck Holding AG for the annual financial statements and the consolidated financial statements. Information regarding the annual financial statements of Daimler Truck Holding AG under commercial law is contained in the separate chapter Daimler Truck Holding AG of the combined management report.

Structure and segments of the Daimler Truck Group
From a business perspective, a distinction is made at selected points between Industrial Business and Financial Services. The Industrial Business comprises the vehicle segments Trucks North America, Mercedes-Benz Trucks, Trucks Asia, Daimler Buses and the reconciliation. Financial Services corresponds to the Financial Services segment. The eliminations of intra-Group transactions between the Industrial Business and Financial Services are generally allocated to the Industrial Business and are reported in the reconciliation. The reporting is based on the segment composition as at December 31, 2024. If text passages refer to the new segment allocation of the businesses in China and India from Trucks Asia to Mercedes-Benz Trucks with effect from the 2025 financial year, this is explicitly stated. Further information can be found in chapter Business Model of the combined management report.

Performance measurement system
Detailed information on Daimler Truck's performance measurement system, including an explanation of financial and non-financial performance measures, performance indicators and the underlying quantitative ranges for the qualitative-comparative description of changes can be found in the chapter Performance measurement system of the combined management report.

Independent audit
The present Consolidated Financial Statements, consisting of the Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements as well as the combined management report, were subject to an independent audit by KPMG AG Wirtschaftsprüfungsgesellschaft.

The content of the section Sustainability at Daimler Truck corresponds to the Group Sustainability Statement and was not submitted to an audit in the context of the statutory audit of our combined management report. Our auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, has nevertheless conducted an limited assurance engagement on the Group Sustainability Statement to obtain limited assurance.

Remuneration report
The annual remuneration report on the remuneration of the Board of Management and Supervisory Board, which is mandatory for listed companies in accordance with Section 162 German Stock Corporation Act (AktG), is published separately at www.daimlertruck.com/en/company/corporate-governance/board-of-management/remuneration-of-the-board-of-management.

Digital report
For sustainability reasons, annual and interim reports are not printed. These are made available at www.daimlertruck.com/en/investors/reports/financial-reports and are available for download as a PDF. The report in this PDF format contains interactive elements. Tables of contents, page headers and references internal and external to the report are linked to the corresponding content.

Editorial notes
Due to rounding, individual figures may not add up precisely to the totals shown and percentages presented may not accurately reflect the absolute values to which they relate. This report is available in German and English. The German version is binding. For better readability, names, brands and registered trademarks are not identified in this report.

Diversity, equal opportunities and inclusion are important to us
For this reason, we use gender-neutral language throughout this report. In the interest of readability and for terms with legal meaning, we use the generic masculine form. In these cases, the terms chosen include all gender identities without limitation.

Navigation icons

↗ Reference to an illustration or table in the report.

Reference to further information on the Internet.

Reference within the report.

Terminology
This document contains terms such as “zero-emission (heavy-duty) vehicle” (abbreviated “ZEV”, “zero-emission vehicle”), “CO_2e”, “CO_2e-neutral”, “CO_2e-neutral on the balance sheet” and “locally CO_2e-free” or “CO_2e-free in driving operation”. A “zero-emission heavy-duty vehicle” is according to Article 3 point (11) (a) of the Regulation (EU) 2024/1610 a vehicle without an internal combustion engine or with an internal combustion engine with emissions of no more than 3 g CO_2/(tkm) or 1 g CO_2/(pkm). “CO_2e” stands for carbon dioxide equivalent and refers to the total amount of greenhouse gases released by a particular activity or process. It takes into account not only carbon dioxide, but also other greenhouse gases such as methane (CH_4), nitrous oxide (N_2O) and ozone (O_3) by relating their climate impact to CO_2. Since these gases have different effects on the climate, CO_2e enables a holistic view of the climate effect of a particular activity. “CO_2e-neutral” means that CO_2e emissions released into the atmosphere by a company’s activities are offset by a corresponding amount of CO_2e. Offsetting can be achieved through various measures: reducing emissions, reducing energy consumption, switching to renewable energies, etc., or by storing or absorbing CO_2. “CO_2e-neutral on the balance sheet” means that CO_2e emissions released are offset by compensation certificates and related projects. “Locally CO_2e-free” or “CO_2e-free in driving operation” means that no carbon or carbon dioxide equivalents (CO_2e) is emitted from the vehicle into the immediate surroundings while driving. Unless otherwise indicated, the same understanding of terms is used in each case throughout the entire document.

A

Daimler Truck at a Glance

Dear shareholders, dear friends of Daimler Truck,

I'm happy to write to you for the first time as the CEO of our Company. I'm proud to have taken on this role and to work with my more than 100,000 colleagues to build the world's best truck and bus company.

I have worked in the truck and bus industry my whole career in different roles and in different countries, and I cannot imagine a more exciting industry to be part of – where our job is to work for those who keep the world moving. Be it delivering food to grocery stores, medicine to hospitals and components to factories, or taking children to school and people to work.

Looking back, we have already come a long way

In the past year, we achieved an adjusted EBIT of 4.7 billion euros and an adjusted return on sales in our Industrial Business of 8.9 percent. This makes 2024 another solid year – and I look at it from two sides: We are proud of what we have accomplished, and I would like to sincerely thank our global Daimler Truck team for their dedication and great work.

At the same time, 2024 varied across our segments. Trucks North America and Daimler Buses continued very strong. Mercedes-Benz Trucks did very well in Brazil, but was affected by weak demand in its European core markets. Trucks Asia delivered solid operating results despite continued weak markets. In sum, we are convinced that we can do even better, and we are committed to unlocking even more of our potential.

The basis for our success are happy customers and great products, and here we have achieved a lot in the past year:

We have further developed our diesel-powered flagship trucks for both the US and European markets. The fifth generation Freightliner Cascadia and the enhanced Mercedes-Benz Actros L come with advanced safety features, improved aerodynamics and even better driver comfort. Series production of our new Cascadia is planned to start in mid-2025, while our Actros L is in series production already.

We have reached an important milestone with our battery-electric trucks and started series production of our Mercedes-Benz eActros 600. With a range of around 500 kilometers, it addresses the long-haul segment which accounts for around two thirds of all CO_2e emissions from heavy road freight transportation in Europe. Our eActros 600 can therefore make a real difference with respect to decarbonization.

We have further broadened our portfolio of fully electric buses. In Europe, we presented a near-series prototype of our intercity bus Mercedes-Benz eIntouro, with customer deliveries set to start in 2026. In Latin America, we introduced an articulated variant of our bus chassis eO500U. It accommodates up to 120 passengers, and series production is planned for 2026.

We not only aim to decarbonize transportation, we also aim to digitalize it – and to that end we have signed a binding agreement for a joint venture with Volvo Group. Together, we intend to develop a software-defined vehicle platform and a dedicated truck operating system. This will make our trucks smarter and more connected, and will enable us and our customers to deploy differentiating software features onto our vehicles and to steadily optimize them with updates over the air.

» We are proud of what we have accomplished. At the same time, we are convinced that we can do even better, and we are committed to unlocking even more of our potential. «

Looking ahead – we will keep up our high momentum

As I write this, we in the Board of Management are in the process of revisiting and adjusting our strategy. But to maintain our high momentum, we have already taken important measures. These include – for example:

We have merged our businesses in China and India with Mercedes-Benz Trucks, effective as of January 01, 2025. This allows the newly formed segment to unlock its full potential through scale and efficiency in terms of technology as well as production, and to serve customers across five continents in a cohesive manner with a truly global offering while remaining a reliable, close partner in the regions.

We announced that we intend to reduce our annual recurring costs in Europe by more than one billion euros. This will be an important step towards a lean and effective operating model. It will increase our competitiveness and – in view of the historic transformation of our industry to sustainable transportation – will give us more financial leeway to invest in new technologies, products and services.

Decarbonizing transportation in Europe: what's key now

In the past years, commercial vehicle manufacturers have been investing billions in new drive technologies and have achieved a lot. Daimler Truck alone has eleven battery-electric truck and bus models in series production worldwide.

So, zero-emission vehicles are available – what is missing is the charging infrastructure. To achieve the CO_2e targets for our industry, 35,000 fast-charging stations for electric trucks and buses are needed in Europe by 2030. Today, there are not even 1,000. Infrastructure development therefore urgently needs to pick up speed. And the CO_2e targets must be linked to infrastructure expansion. Otherwise, manufacturers will be penalized if they miss the targets, despite having contributed what they are responsible for.

Clear goal: driving Daimler Truck forward

To come back to where I began: I wanted to be CEO of this Company because I want to build the best truck and bus company in the world. With that in mind, I, as well as my entire team, go to work every day to keep driving Daimler Truck forward – for our customers, for our employees, and of course for all of you, our shareholders.

Leinfelden-Echterdingen, March 2025

Karin Rådström
Chairwoman of the Board of Management of Daimler Truck Holding AG

The Board of Management

Changes in the Board of Management

Martin Daum
Member of the Board of Management until December 31, 2024, Financial Services, IT & Daimler Buses from October 01, 2024 until the area of responsibility was dissolved on December 31, 2024, Chairman of the Board of Management until September 30, 2024, Finance and Controlling until March 31, 2024

Stephan Unger
Member of the Board of Management until June 30, 2024, Financial Services

Karl Deppen
Member of the Board of Management, FUSO and RIZON
Appointed until 2029

John O'Leary
Member of the Board of Management, Daimler Truck North America
Appointed until 2026

Dr. Andreas Gorbach
Member of the Board of Management, Truck Technology
Appointed until 2029

Karin Rådström
Chairwoman of the Board of Management since October 01, 2024, Regions Europe and Latin America and the brand Mercedes-Benz Trucks until November 30, 2024
Appointed until 2029

Achim Puchert
Member of the Board of Management since December 01, 2024, Mercedes-Benz Trucks and BharatBenz
Appointed until 2027

Eva Scherer
Member of the Board of Management since April 01, 2024, Chief Financial Officer
Appointed until 2027

Jürgen Hartwig
Member of the Board of Management, Human Resources
Appointed until 2026

Report of the Supervisory Board on the 2024 Financial Year

Dear Shareholders,

The 2024 financial year was both a formative and challenging year for your Company. After the record year of 2023, the Company's economic performance in the increasingly difficult market environment was of central importance in the 2024 financial year.

This weakening became particularly evident in Europe and therefore at Mercedes-Benz Trucks. After a robust post-Covid economy in Europe, the past financial year saw a significant weakening. In the 2024 financial year, the effects on the whole Company were offset - at least in part - by a comparatively stable US market and the pleasing development of Daimler Buses. This shows once again the advantages of your Company’s global presence. However, one of the lessons learned is that we need to become much more adaptable in the European environment.

Important steps were taken again to ensure the Company's strategic and sustainable direction. These include, in particular, strategic decisions in the area of CO_2e-free transport that were impressively supported by innovative product launches.

With the appointment of Karin Rådström as Chairwoman of the Board of Management and Eva Scherer as Chief Financial Officer, as well as Achim Puchert as responsible Member of the Board of Management and CEO for the Mercedes-Benz Trucks brand, personnel decisions of considerable importance for the future of your Company were also made. They mark a generational change and form together with the further Board of Management colleagues a convincing team for tackling the major future tasks of Daimler Truck. The Supervisory Board will continue to closely monitor the strategic direction of Daimler Truck - also under the new management. The Board of Management plans to present the new strategic targets within a Capital Market Day in July 2025 to the investors and the public.

The 2024 financial year has also shown that, given the ever-increasing challenges we face, we still have a lot to do as a globally acting company. This includes, in particular, increasing the resilience and profitability of Daimler Truck. In this regard customer satisfaction, innovation capabilities, productivity and focus are top priorities. However, a regulatory environment is also needed that promotes the ongoing development of sustainable mobility and gives the commercial vehicle industry the opportunity to continue to operate profitably in the face of competition. This is the only way we can achieve the goal of creating sustainable and superior value for society, the Company, our employees and shareholders. It is therefore important to work together with all representatives of the value chain, particularly in the European Union, to promote fair conditions for European suppliers in global competition.

A further guarantee of success is the commitment and the motivation of all employees in an increasingly complex and challenging environment. The Supervisory Board therefore expressly welcomes the constructive and interactive dialogue between Company management and the employees and their representatives.

Appreciation

The Supervisory Board expresses its thanks to all employees of the Daimler Truck Group as well as to management and the Board of Management for their commitment and dedication in the 2024 financial year and their active contribution to the Company's success. On behalf of the Supervisory Board I would also like to thank you, dear shareholders, for your loyalty to Daimler Truck.

» Significant foundations have been laid to ensure the long-term success of your Company. «

A thank you also goes to Roman Zitzelsberger, who has rendered exceptional services to Daimler Truck through his many years of commitment and dedication to the Supervisory Board and its committees and who retired from the Supervisory Board at the end of the 2024 financial year. Replacing him, Barbara Resch was appointed to the Supervisory Board, in his place with effect from January 01, 2025.

I would like to close by paying tribute to the impressive life's work of Martin Daum, who stepped down from the Board of Management of Daimler Truck at the end of the 2024 financial year and ended his role as Chairman of the Board of Management on September 30, 2024. Martin Daum has shaped the Company in many different roles and led it into its future as independent company. Daimler Truck is also his life's work. The Supervisory Board would like to express its many thanks to Martin Daum for this and especially for the many years of constructive collaboration.

Leinfelden-Echterdingen, March 2025

For the Supervisory Board

Joe Kaeser
Chairman

Report of the Supervisory Board

In the following, we report on the work of the Supervisory Board and its committees in the 2024 financial year. The report of the Audit Committee is also integrated into this report.

Responsibility and working methods of the Supervisory Board
The Supervisory Board of Daimler Truck Holding AG fully performed its duties in the 2024 financial year. The responsibilities of the Supervisory Board are defined in particular by the German Stock Corporation Act (AktG), the Articles of Incorporation of Daimler Truck Holding AG, and the Rules of Procedure for the Supervisory Board and its committees. In addition, the German Corporate Governance Code (DCGK) in its currently valid version represents an important set of rules, which the Supervisory Board naturally attaches great importance to observing as far as possible.

As part of its responsibilities, the Supervisory Board continuously advised and monitored the Board of Management on the management of the Company and actively provided support on important issues related to the strategic direction and future development of the Company and the Daimler Truck Group. This applied in particular to active discussions in respect of the evaluation of financial performance in relation to the Company's own targets as well as benchmarked to competition as well as matters critical to the success of the transformation of the commercial vehicle industry such as autonomous driving.

In the 2024 financial year, the Supervisory Board also examined numerous business transactions under the existing rights of approval and, after extensive consultation, passed resolutions on each of them. In many cases, these business transactions arose from the strategic direction of Daimler Truck in respect of the ongoing transformation of the commercial vehicle industry and included product projects, sustainability issues as well as financial and investment projects and plans.

Within the framework of its legal responsibilities and after thorough preparation by the Audit Committee, the Supervisory Board also examined whether the annual financial statements and consolidated financial statements, the combined management report including the integrated Group Sustainability Statement for the Daimler Truck Group and the other financial reporting were prepared in accordance with the applicable requirements and also complied with them in all respects.

During the 2024 financial year, the Supervisory Board also received regular reports and information from the Board of Management on significant economic developments at the Daimler Truck Group and its segments and discussed the content with the Board of Management and the management representatives. The reports included information on the intended business policy and other fundamental questions of corporate planning, including financial, investment and personnel planning, the liquidity and profitability of the Company and the Group, the situation of the Company and the Group, including its segments as well as information about the course of business. The Board of Management's reports also included updates about the procurement and sales markets. Additionally, and in the course of strategy discussions with the Board of Management, transformation and sustainability issues within the commercial vehicle industry as well as their potential technological, financial and economic impacts on the Company were discussed.

The members of the Supervisory Board prepared for the meetings on the basis of documents that were made available to them by the Company before the meetings. The preparation for the meetings also included separate preliminary discussions on the part of shareholder and employee representatives, some of which were attended by members of the Board of Management. The committees of the Supervisory Board intensively prepared for the meetings of the Supervisory Board in accordance with their respective responsibilities. In particular, Joe Kaeser as Chairman of the Supervisory Board as well as Michael Brosnan as Chairman of the Audit Committee regularly attended bilateral meetings with members of the Board of Management and the management of the Company to exchange views. This included regular meetings with the Chief Legal and Compliance Officer and the Head of Corporate Audit. The other members of the Supervisory Board made use of this on a subject-specific basis.

Topics in the 2024 financial year
In the 2024 financial year, the Supervisory Board of Daimler Truck Holding AG held seven meetings and passed one resolution without holding a meeting. Further information on the meeting modalities and the members' participation in meetings can be found in the overview at the end of this report. ↗ **A.01** ↗ **A.02** ↗ **A.03**

The meetings of the Supervisory Board were characterized by an open and constructive exchange. In addition to the intensive discussion of the relevant business transactions and measures, the Supervisory Board also focused on the exchange of information on key topics in regular Executive Sessions, which took place without the Board of Management being present. Topics discussed included succession planning questions as well as the evaluation of strategic issues of great importance and organizational matters.

At an extraordinary meeting on January 10, 2024, the Supervisory Board appointed Eva Scherer as a member of the Board of Management as Chief Financial Officer, effective April 01, 2024, for a period of three years, i.e. until March 31, 2027. Eva Scherer succeeded Martin Daum, who had held the function of Chief Financial Officer on an interim basis since the tragic passing of Jochen Goetz in August 2023. The appointment of Eva Scherer concluded the selection process initiated by the Supervisory Board in 2023, which included the participation of an international recruitment agency, to find a long-term successor for the important position of Board of Management member responsible for finance and controlling.

At its meeting on February 29, 2024, the Supervisory Board dealt with the Board of Management remuneration, the annual and consolidated financial statements and the combined management report, the integrated non-financial statement for the Daimler Truck Group, and the other financial and sustainability reporting. In addition to the Board of Management remuneration, which is dealt with separately, other topics included questions on the battery strategy and the preparation of the Annual General Meeting on May 15, 2024. The Supervisory Board also focused on discussing important sustainability issues and dealt in detail with sustainability reporting in this regard.

At the meeting on May 03, 2024, the Supervisory Board discussed the interim report for the first quarter of 2024 for information purposes, received a corresponding financial update, and discussed current developments in the field of hydrogen-powered trucks. Furthermore, the Board of Management resolved to reappoint Karl Deppen as a member of the Board of Management with responsibility for Trucks Asia for a further five years from the end of his current appointment, i.e. until November 30, 2029. At this meeting, the Supervisory Board also decided not to extend Stephan Unger's appointment as a member of the Board of Management beyond its end on June 30, 2024. We are pleased that Stephan Unger was persuaded to continue to perform his duties as Head of the Financial Services segment within the Company.

A meeting held on May 14, 2024, the day before the Annual General Meeting of Daimler Truck Holding AG, was dedicated to succession planning for the Board of Management. In this regard, the Supervisory Board also dealt in particular with strategic issues.

At the meeting on August 01, 2024, the focus was on business transactions from the operational area and strategic measures in addition to the informational discussion of the half-yearly financial report 2024. In this regard, the Supervisory Board dealt in particular thoroughly with the development of autonomous trucks and again discussed in detail the current status of succession planning for the Board of Management.

At an extraordinary meeting on September 04, 2024, the Supervisory Board then decided to appoint Karin Rådström as Chairwoman of the Board of Management of Daimler Truck Holding AG with effect from October 01, 2024 for the duration of her appointment, which runs until January 31, 2029. She thus succeeded Martin Daum, who, after a unique career and outstanding service to Daimler Truck, in mutual agreement with the Supervisory Board, resigned from his position as Chairman of the Board of Management on September 30, 2024 and as a member of the Board of Management on December 31, 2024. Fortunately, Martin Daum had agreed to support the transition to Karin Rådström between October 01 and December 31, 2024 and to take on several key tasks from his previous area of responsibility beyond his resignation from the position of Chairman of the Board of Management. The Supervisory Board's decision to make a change in this crucial position in the Company was preceded by a comprehensive selection process, which was largely coordinated by the Presidential and Remuneration Committee with the involvement of an international recruitment agency and with regular reporting to the Supervisory Board.

By resolution of November 10, 2024, the Supervisory Board appointed Achim Puchert, previously Head of Mercedes-Benz do Brasil and Latin America, as a member of the Company's Board of Management with responsibility for the Europe and Latin America regions and the Mercedes-Benz Trucks brand, effective December 01, 2024, for three years until November 30, 2027. Achim Puchert thus assumed the area of responsibility previously held by Karin Rådström even after her appointment as Chairwoman of the Board of Management.

Finally, the meeting of the Supervisory Board on December 06, 2024, dealt in particular with issues relating to the Board of Management remuneration, corporate planning and corporate governance, which are each reported on separately, as well as the reporting on significant strategic issues, including in the area of autonomous driving. The Supervisory Board also decided to extend the appointment of John O'Leary as member of the Board of Management responsible for the North America region and the Freightliner, Western Star and Thomas Built Buses brands until December 31, 2026, at the latest. In addition, the Supervisory Board dealt with the allocation of responsibilities within the Board of Management and approved adjustments planned for the 2025 financial year. The designations of responsibilities applicable since the 2025 financial year can be found in the section The Board of Management.

Corporate Governance, Declaration of Compliance (with the German Corporate Governance Code), and requirements profile for the Board of Management and Supervisory Board

The Supervisory Board continuously dealt with corporate governance issues in the 2024 financial year and was supported in this regard especially by the Presidential and Remuneration Committee. The Supervisory Board also exchanged views on these topics in particular with the Company's Chief Legal and Compliance Officer.

At its meeting on December 06, 2024, the Supervisory Board dealt in depth with issues of corporate governance and especially with the draft of the 2024 Declaration of Compliance with the DCGK. In this context, the Supervisory Board also discussed the implementation of key recommendations of the DCGK and, in particular, the independence of shareholder representatives within the meaning of the DCGK. The 2024 Declaration of Compliance with the DCGK in accordance with Section 161 of the German Stock Corporation Act (AktG) was adopted on December 06, 2024. With the exceptions justified therein, all recommendations of the Code are complied with.

In the interests of good corporate governance, the members of the Company's Supervisory Board are obliged to disclose conflicts of interest to the Supervisory Board as a whole. Such conflicts of interest may arise in particular from an advisory or governing board position with customers, suppliers or lenders of the Company or other third parties. There were no such conflicts of interest during the reporting period.

In view of the positive working experience, the Supervisory Board decided to make only minor adjustments to the Rules of Procedure for the Supervisory Board and its committees. The Supervisory Board approved these adjustments at its meeting on December 06, 2024.

At its meeting on December 06, 2024, the Supervisory Board also discussed the requirements profiles for the Board of Management and the Supervisory Board and determined whether they had been fulfilled. The composition of the Board of Management and the Supervisory Board of Daimler Truck Holding AG is based in particular on diversity concepts with regard to aspects such as educational and professional background, gender and age. The Supervisory Board has combined these diversity concepts with the requirements of the Act on the Equal Participation of Women and Men in Management Positions (Second Management Positions Act or FüPoG) and other requirements for the skills of the members of the executive bodies in overall requirement profiles for the Board of Management and the Supervisory Board. Following the positive experiences with the requirements for the knowledge and experience of the Supervisory Board members, which were most recently expanded in 2023, the Supervisory Board decided to focus on expanding the relevant skills and not to make any significant changes.

On the basis of the requirement profiles for the Board of Management and the Supervisory Board, the Supervisory Board also prepared qualification matrices reflecting the respective implementation status and discussed their structure and their planned publication in the Declaration on Corporate Governance at its meeting on December 06, 2024.

At the same meeting, the Supervisory Board also determined the fulfillment of the requirements profile of the Board of Management applicable during the reporting period for the current composition of the Board of Management.

According to Section 96 Subsection 2 German Stock Corporation Act (AktG), supervisory boards of listed companies subject to joint co-determination must consist of at least 30% women and 30% men. This quota must be met by the Supervisory Board as a whole. If the shareholder or employee representatives object to the overall fulfillment to the Chairman of the Supervisory Board before the election, the minimum quota for this election must be met separately by the shareholder and employee representatives. As the overall fulfillment was not objected to, the gender quota must be met by the Supervisory Board as a whole.

On December 31, 2024, the Supervisory Board of Daimler Truck Holding AG consisted of six women (of these, three were on the shareholder side and three on the employee side) and fourteen men (of these, seven were on the shareholder side and seven on the employee side). Notwithstanding the overall fulfillment, the shareholder and employee sides also fulfilled the minimum requirement for their respective sides throughout the 2024 financial year. Following the judicial appointment of Barbara Resch as member of the Supervisory Board with effect from January 01, 2025, the employee side exceeds the minimum quota.

Remuneration of the Board of Management

The remuneration system for the members of the Board of Management applicable in the 2024 financial year (Remuneration System 2023+) was determined by the Supervisory Board at its meeting on December 15, 2022 and specified in more detail most recently in December 2023. On this basis, the Supervisory Board set the targets for the 2024 financial year at its meeting on February 29, 2024, upon recommendation of the Presidential and Remuneration Committee. The Supervisory Board also determined the target achievement for the 2023 financial year. At its meeting on December 06, 2024, the Supervisory Board again dealt with the remuneration system for the members of the Board of Management in more detail after preparation by the Presidential and Remuneration Committee and prepared the decisions to be made in 2025 to set the targets for 2025 and on target achievement for 2024. Further details can be seen in the description of the remuneration system published on the Company's website at www.daimlertruck.com/en/company/corporate-governance/board-of-management/remuneration-of-the-board-of-management.

Dealing with the strategic direction of the Company

In the 2024 financial year, the Supervisory Board also dealt in depth on several occasions with the strategic direction of the Daimler Truck Group, including the sustainable business strategy. Together with the responsible representatives of the management of the Daimler Truck Group and in particular the members of the Board of Management, the Supervisory Board regularly discusses in detail the business planning for the further strategic direction and the economic developments expected from this for the Group. Another special focus is on the strategic direction of Daimler Truck in the area of battery-electric and hydrogen-powered transport. Most recently, the Supervisory Board dealt with the Company's strategic direction at its meeting on December 06, 2024. The Supervisory Board intends to hold a dedicated strategy meeting in the first half of 2025 together with the Board of Management led by the new Chairwoman of the Board of Management, Karin Rådström.

Self-assessment of the Supervisory Board

In accordance with the corresponding recommendation of the DCGK, the Supervisory Board last carried out a self-assessment in the 2023 financial year. Important results from this measure were also incorporated into the work of the Supervisory Board in the 2024 financial year. The next self-assessment is currently planned for the 2025 financial year.

Discussion and resolution on corporate planning (Daimler Truck Business Planning)

At its meeting on December 6, 2024, the Supervisory Board discussed and approved the corporate planning, the Daimler Truck Business Planning. For this purpose, the Supervisory Board had appropriate documents at its disposal, which also took sustainability-related aspects, such as the unit sales of zero-emission vehicles, into account in corporate planning. Throughout the 2024 financial year, the Supervisory Board dealt in depth with planning issues and, in particular, with competition benchmarks. In addition, the Supervisory Board dealt with the framework for liquidity risk management developed by the Company.

Composition of the Supervisory Board and its committees

The Supervisory Board of Daimler Truck Holding AG consists of twenty members. In accordance with the provisions of the German Co-Determination Act, it is to be composed of ten employee representatives and ten shareholder representatives. The term of office of the ten Supervisory Board members elected by the 2022 Annual General Meeting ends in 2026, the term of office of the employee representatives elected by the workforce in November 2022 ends in 2027, with one employee representative appointed by the court in October 2023 and one employee representative in January 2025. According to this, Supervisory Board is equally composed. The Supervisory Board of Daimler Truck Holding AG has established and appointed a Presidential and Remuneration Committee, an Audit Committee, a Nomination Committee and a Mediation Committee in accordance with the relevant provisions of the German Co-Determination Act. The committees were staffed as follows in the 2024 financial year:

Presidential and Remuneration Committee

In accordance with the Rules of Procedure, Joe Kaeser, as Chairman of the Supervisory Board, also chairs the Presidential and Remuneration Committee, and Michael Brecht, as Deputy Chairman of the Supervisory Board, is also Deputy Chairman of the Presidential and Remuneration Committee in accordance with the Rules of Procedure. Additionally, the Supervisory Board elected Marie Wieck and Roman Zitzelsberger as members of the Presidential and Remuneration Committee. After Roman Zitzelsberger resigned from the Supervisory Board with effect from December 31, 2024, the Supervisory Board elected Barbara Resch, who had been appointed by the court with effect from January 01, 2025, as a member of the Presidential and Remuneration Committee.

Audit Committee
Michael Brosnan, Akihiro Eto, Harald Wilhelm, Michael Brecht, Jörg Köhlinger and Thomas Zwick were elected to the Audit Committee in 2022. The Audit Committee elected Michael Brosnan as its Chairman and Michael Brecht as its Deputy Chairman. As Chairman of the Audit Committee, Michael Brosnan is independent of Daimler Truck Holding AG and its Board of Management within the meaning of the corresponding recommendation of the DCGK. With Harald Wilhelm and Michael Brosnan, the Audit Committee has two members with financial expertise within the meaning of Section 100 Subsection 5 German Stock Corporation Act (AktG) and the corresponding recommendation of the DCGK.

Nomination Committee
In accordance with the Rules of Procedure, Joe Kaeser, as Chairman of the Supervisory Board, also chairs the Nomination Committee. In 2022, the Supervisory Board elected Marie Wieck and Renata Jungo Brüngger as further members of the Nomination Committee.

Mediation Committee
The Supervisory Board set up a Mediation Committee for the first time in 2022 and elected Marie Wieck and Roman Zitzelsberger as further members of the Mediation Committee. In accordance with the Rules of Procedure, Joe Kaeser, as Chairman of the Supervisory Board, also chairs the Mediation Committee and Michael Brecht, as Deputy Chairman of the Supervisory Board, is also Deputy Chairman of the Mediation Committee. By resolution of the employee representatives in the Supervisory Board, Barbara Resch was elected to the Mediation Committee in place of Roman Zitzelsberger with effect from January 01, 2025.

Changes to the Board of Management and Supervisory Board
The composition of the Supervisory Board did not change in the 2024 financial year. Roman Zitzelsberger resigned from his mandate as a member of the Supervisory Board for personal reasons with effect from December 31, 2024. Subsequently, upon application of the Board of Management, Barbara Resch was appointed to the Supervisory Board as an employee representative by the Stuttgart District Court with effect from January 01, 2025. In the 2025 financial year, Andrea Reith resigned from her mandate with effect from June 30, 2025. A judicial appointment of a successor is initiated.

At an extraordinary meeting on January 10, 2024, the Supervisory Board appointed Eva Scherer to the Board of Management as Chief Financial Officer, effective April 01, 2024, for a term of three years, i.e. until March 31, 2027.

At its meeting on May 03, 2024, upon recommendation of the Presidential and Remuneration Committee, the Supervisory Board reappointed Karl Deppen, responsible for Trucks Asia, as a member of the Board of Management for a further period of five years from December 01, 2024, i.e. until November 30, 2029.

Also at this meeting, the Supervisory Board decided not to extend the appointment of Stephan Unger as a member of the Management Board, which expired on June 30, 2024, and approved the continuation of Stephan Unger's duties within the Chairman of the Board of Management’s area of responsibility.

At an extraordinary meeting on September 04, 2024, the Supervisory Board resolved on the previously mentioned appointment of Karin Rådström as Chairwoman of the Board of Management of Daimler Truck Holding AG with effect from October 01, 2024, as the successor to Martin Daum, who left the Board of Management on December 31, 2024.

By resolution of November 10, 2024, the Supervisory Board appointed Achim Puchert as a member of the Board of Management with responsibility for the Europe and Latin America regions and the Mercedes-Benz Trucks brand for a term of three years from December 01, 2024, and thus until November 30, 2027. At its meeting on December 06, 2024, the Supervisory Board additionally resolved to extend the appointment of John O'Leary as a member of the Board of Management responsible for the North America region and the Freightliner, Western Star and Thomas Built Buses brands until December 31, 2026, at the latest.

There were no further changes to the Board of Management in the 2024 financial year.

Work of the Audit Committee
The Audit Committee held a total of six meetings in the 2024 financial year and passed one resolution outside a meeting. In compliance with the relevant legal and other requirements, the member of the Board of Management responsible for Finance and Controlling and representatives of the auditor in particular attended the meetings as regular guests. The Audit Committee regularly consulted with the auditor without the Board of Management. Representatives of the management also attended the meetings on individual agenda items. The Chairman of the Audit Committee held regular individual meetings with the members of the Committee, the member of the Board of Management responsible for Finance and Controlling and the aforementioned representatives of the management of the Daimler Truck Group, particularly to prepare for and follow up on the meetings. Michael Brosnan also regularly exchanged information with the representatives of the auditor on important issues relating to the audit and informed the members of the Committee about these.

During the course of the 2024 financial year, the Audit Committee discussed the annual and consolidated financial statements, the combined management report and the results of the respective audits, the interim financial reports and the results of the respective audit reviews prior to their publication with the responsible member of the Board of Management, the Head of Accounting and representatives of the auditor. The reports from the Corporate Audit, Compliance and Legal departments also supplemented the regular content of the meetings. The Audit Committee received regular reports about ongoing legal proceedings, the legal risk situation, the compliance management system and information on internal and external reports received in the Group’s internal whistleblower system “SpeakUp” (formerly the Business Practices Office, BPO) and the measures taken to deal with them. Another particular focus of the Audit Committee’s work in the 2024 financial year was the Company’s readiness to comply with the requirements for sustainability reporting in accordance with the EU Corporate Sustainability Reporting Directive (CSRD).

In preparation for the meeting of the Supervisory Board on the same day, the Audit Committee, at its meeting on February 29, 2024, intensively examined and discussed the annual and consolidated financial statements and the combined management report, each audited with an unqualified auditor’s opinion, including the non-financial statement of the Group audited with limited assurance and the further sustainability reporting for the 2023 financial year, the Declaration on Corporate Governance and the proposal to the Annual General Meeting for the appropriation of profits and the remuneration report. The auditor's representatives reported in detail on the results of the audit and in this report addressed in particular the audit focus areas, the "Key Audit Matters", and the respective audit procedures, including the conclusions drawn in each case, and were available to the Committee to answer questions and provide additional information. The auditor's reports on the annual and consolidated financial statements (including the particularly important audit matters in the audit opinions issued), on the internal control system and on significant transactions relating to the financial statements were discussed with the auditor's representatives. In addition, the Audit Committee also dealt with the Company's risk management system. After an in-depth examination and discussion, the Audit Committee recommended that the Supervisory Board approve the prepared financial statements, the combined management report including the non-financial statement of the Group and the further sustainability reporting, the Declaration on Corporate Governance and the proposal regarding the appropriation of profits to the Annual General Meeting. The Audit Committee also approved its report on the 2023 financial year.

With regard to the Company's auditor, the Audit Committee particularly addressed their independence. After analyzing the quality of the audit, the Audit Committee also addressed the recommendation to the Supervisory Board regarding the proposal to the Annual General Meeting to appoint KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as auditor, Group auditor and auditor for the review of interim financial reports for the 2024 financial year and for the interim financial reports for the 2025 financial year in the period up to the next Annual General General Meeting in the 2025 financial year. After the Annual General Meeting on May 15, 2024, following the appointment by the Annual General Meeting, the Audit Committee assigned KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, with the audit of the annual and consolidated financial statements, the internal control systems and the audit review of the interim financial reports for the 2024 financial year and authorized Michael Brosnan to sign the corresponding engagement letters and the fee agreement.

In the 2024 financial year, the Audit Committee decided to prepare for a change of auditor from the 2027 financial year and to initiate the necessary selection process by means of an audit tender. The initiation of this process had become necessary due to an announcement by the responsible German authority regarding the recognition of audits carried out in the former Daimler Group before the establishment of Daimler Truck Holding AG.

Work in the further committees

The **Presidential and Remuneration Committee** met ten times in the 2024 financial year. The Committee's work focused on issues of corporate governance and Board of Management remuneration. Another particular focus was the succession planning for the Board of Management, on which the Presidential and Remuneration Committee made recommendations to the Supervisory Board. The Presidential and Remuneration Committee also supported the Chairman of the Supervisory Board in his work and dealt with the assumption of external and other mandates by Board of Management members, personnel matters and directors' and officers' insurance (D&O insurance).

Michael Brecht, Deputy Chairman, and Joe Kaeser, Chairman of the Supervisory Board of Daimler Truck Holding AG.

The **Nomination Committee** met once in the 2024 financial year. The purpose of this meeting was to address the overall requirements profile for the composition of the Supervisory Board and the terms of office of the shareholder representatives on the Supervisory Board. In this regard, the Nomination Committee also dealt already with the upcoming elections of the shareholder representatives by the Annual General Meeting in the 2026 financial year.

There was no reason to convene the **Mediation Committee** in the 2024 financial year.

Audit of the annual and consolidated financial statements for the 2024 financial year

The annual financial statements of Daimler Truck Holding AG and the combined management report for 2024 for Daimler Truck Holding AG and the Group have been duly audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, and have been provided with an unqualified audit opinion. This also applies to the 2024 consolidated financial statements prepared in accordance with IFRS, the combined management report including the Group Sustainability Statement for the Daimler Truck Group.

At its meeting on March 13, 2025, the Supervisory Board dealt with the annual and consolidated financial statements and the combined management report, each of each audited with an unqualified auditor's opinion, including the Group Sustainability Statement for the Daimler Truck Group audited with “limited assurance”, the Declaration on Corporate Governance and the proposal to the Annual General Meeting for the appropriation of profits and the remuneration report.

The Supervisory Board members were provided with extensive draft documents for preparation, including the annual report, the consolidated financial statements prepared in accordance with IFRS, the combined management report, the Group Sustainability Statement for the Daimler Truck Group to be audited by the auditor with limited assurance, as well as the Declaration on Corporate Governance, the annual financial statements of Daimler Truck Holding AG, the Board of Management's proposal for the appropriation of profits, the remuneration report and the audit reports of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, for the annual financial statements of Daimler Truck Holding AG, the consolidated financial statements including the combined management report and the reporting on the accounting-related internal control system, as well as the draft report of the Supervisory Board and the recommendations of the Audit Committee, which had also dealt with the aforementioned topics in depth.

The Audit Committee and the Supervisory Board discussed these documents in detail and in the presence of the auditor, who reported on the results of his audit and, in particular, addressed the key audit matters and the respective audit procedures, including the conclusions made, and was available for additional questions and information. Following the final result of the examination by the Audit Committee and its own examination, the Supervisory Board endorsed the result of the audit by the auditor, determined that no objections were to be raised and approved the financial statements prepared by the Board of Management and the combined management report, including the Group Sustainability Statement for the Daimler Truck Group audited with limited assurance. The Company's 2024 annual financial statements were thus approved. On this basis, the Supervisory Board endorsed the Board of Management's proposal for the appropriation of profits. Additionally, the Supervisory Board endorsed the determination of the Audit Committee that there were no indications that the internal control system, the risk management system, the compliance management system and the internal audit system were ultimately not appropriate or not effective.

The Supervisory Board also approved the report of the Supervisory Board, the Declaration on Corporate Governance and the remuneration report prepared together with the Board of Management in accordance with Section 162 German Stock Corporation Act (AktG).

2024 Annual General Meeting and preparations for the 2025 Annual General Meeting

The Annual General Meeting of Daimler Truck Holding AG was held as a virtual Annual General Meeting in accordance with the relevant provisions of stock corporation law on May 15, 2024 in Stuttgart.

At its meeting on February 29, 2024, the Supervisory Board adopted the agenda and proposed resolutions for the Annual General Meeting. In the run-up to the Annual General Meeting, the Chairman of the Supervisory Board held in-depth discussions with investors and proxy advisory as part of the so-called Governance roadshows. These meetings provided valuable information on shareholders' expectations and about potential improvements in interaction with the Company's owners.

At the Annual General Meeting, the management's proposed resolutions were each adopted by large majorities. These included, in particular, the discharge of the members of the Supervisory Board and the Management Board for the 2023 financial year.

At its meeting on March 13, 2025, the Supervisory Board also adopted the agenda and proposed resolutions for the 2025 Annual General Meeting.

Leinfelden-Echterdingen, March 2025

For the Supervisory Board

Joe Kaeser
Chairman

For the Audit Committee

Michael Brosnan
Chairman

A.01

Individualized disclosure of participation in meetings by the members of the Supervisory Board of Daimler Truck Holding AG in the 2024 financial year - Supervisory Board

2024	Participation	Attendance (%)
Supervisory Board		
Joe Kaeser (Chairman)	7/7	100
Michael Brecht (Deputy chairman)*	7/7	100
Michael Brosnan	7/7	100
Bruno Buschbacher*	7/7	100
Jacques Esculier	7/7	100
Akihiro Eto	7/7	100
Laura Ipsen	7/7	100
Renata Juno Brüngger	7/7	100
Carmen Klitzsch-Müller*	7/7	100
Jörg Köhlinger*	7/7	100
John Krafcik	6/7	86
Jörg Lorz*	7/7	100
Andrea Reith*	7/7	100
Martin H. Richenhagen	7/7	100
Andrea Seidel*	7/7	100
Shintaro Suzuki*	7/7	100
Marie Wieck	7/7	100
Harald Wilhelm	7/7	100
Roman Zitzelsberger*	7/7	100
Thomas Zwick*	7/7	100

*Employee representative

A.02

Individualized disclosure of participation in meetings by the members of the Supervisory Board of Daimler Truck Holding AG in the in 2024 financial year - Committees of the Supervisory Board

2024	Participation	Attendance (%)
Presidential and Remuneration Committee		
Joe Kaeser (Chairman)	10/10	100
Michael Brecht*	10/10	100
Marie Wieck	10/10	100
Roman Zitzelsberger*	10/10	100
Audit Committee		
Michael Brosnan (Chairman)	6/6	100
Michael Brecht*	6/6	100
Akihiro Eto	6/6	100
Jörg Köhlinger*	6/6	100
Harald Wilhelm	6/6	100
Thomas Zwick*	6/6	100
Nomination Committee		
Joe Kaeser (Chairman)	1/1	100
Renata Jungo Brüngger	1/1	100
Marie Wieck	1/1	100
Mediation Committee		
Joe Kaeser (Chairman)	0/0	/
Michael Brecht*	0/0	/
Marie Wieck	0/0	/
Roman Zitzelsberger*	0/0	/

*Employee representative

A.03

Disclosure of the session mode

2024	Number of meetings	thereof as face-to-face[1]	thereof as video or telephone conferences
Supervisory Board	7	4	3
Presidential and Remuneration Committee	10	4	6
Audit Committee	6	4	2
Nomination Committee	1	1	0
Mediation Committee	0	0	0

1 A face-to-face meeting is a meeting to which members of the Supervisory Board have been invited to participate on site. Attendance by video or telephone ink is also possible during an in-person meeting however.

The Supervisory Board

Joe Kaeser

Chairman of the Supervisory Board – shareholder representative.
Chairman of the Presidential and Remuneration Committee, the Nomination Committee and the Mediation Committee.
Chairman of the Supervisory Board of Siemens Energy AG.

Michael Brecht

Deputy Chairman of the Supervisory Board – employee representative.
Deputy Chairman of the Presidential and Remuneration Committee, the Audit Committee and the Mediation Committee.
Chairman of the Group- and General Works Council of Daimler Truck AG.
Chairman of the Works Council of the Mercedes-Benz plant in Gaggenau.

Michael Brosnan

Shareholder representative.
Chairman of the Audit Committee.
Former Chief Financial Officer of Fresenius Medical Care AG & Co. KGaA.

Bruno Buschbacher

Employee representative.
Chairman of the General Works Council of Daimler Buses GmbH.
Chairman of the Works Council of the plant in Mannheim.

Jacques Esculier

Shareholder representative.
Former Chairman of the Board of Management and CEO of WABCO Holdings Inc.

Akihiro Eto

Shareholder representative.
Member of the Audit Committee.
Former Member of the Board of Management, President and Global Chief Operating Officer of Bridgestone Corporation.

Laura Ipsen

Shareholder representative.
President and Chairwoman of the Board of Management of Ellucian Company L.P.

Renata Jungo Brüngger

Shareholder representative.
Member of the Nomination Committee.
Member of the Board of Management of Mercedes-Benz Group AG and Member of the Board of Management of Mercedes-Benz AG.

Carmen Klitzsch-Müller

Employee representative.
Chairwoman of the Works Council of the Daimler Truck AG headquarters at the Stuttgart site.

Jörg Köhlinger

Employee representative.
Member of the Audit Committee.
District Manager Central of IG Metall (Metalworkers' Union).

John Krafcik

Shareholder representative.
Former CEO Waymo LLC.

Jörg Lorz

Employee representative.
Deputy Chairman of the Group Works Council of Daimler Truck AG.
Chairman of the Works Council of the plant in Kassel.

Andrea Reith

Employee representative.
Deputy Chairwoman of the General Works Council of Daimler Buses GmbH.
Chairwoman of the Works Council of the Daimler Buses GmbH plant Neu-Ulm.

Barbara Resch

Employee Representative.
Member of the Presidential and Remuneration Committee and the Mediation Committee.
District Manager Baden-Württemberg of IG Metall (Metalworkers' Union).

Martin H. Richenhagen

Shareholder representative.
Former President and Chairman of the Board of Management of AGCO Corporation.

Andrea Seidel

Employee representative.
Deputy Chairwoman of the Group Spokespersons' Committee and the General Spokespersons' Committee of the executive employees of Daimler Truck AG.
Chairwoman of the Spokespersons' Committee of the executive employees of Daimler Truck Leinfelden-Echterdingen headquarters.

Shintaro Suzuki

Employee representative.
President of the Mitsubishi Fuso Workers' Union.

Marie Wieck

Shareholder representative.
Member of the Presidential and Remuneration Committee, the Nomination Committee and the Mediation Committee.
Executive Partner at Ethos Capital.

Harald Wilhelm

Shareholder representative.
Member of the Audit Committee.
Member of the Board of Management of Mercedes-Benz Group AG and of Mercedes-Benz AG.
Chairman of the Supervisory Board of Mercedes-Benz Mobility AG.

Thomas Zwick

Employee representative.
Member of the Audit Committee.
Deputy Chairman of the General Works Council of Daimler Truck AG.
Chairman of the Works Council of the plant in Wörth.

Roman Zitzelsberger resigned from the Supervisory Board with effect from December 31, 2024.
Andrea Reith resigned from her mandate with effect from June 30, 2025.

All shareholder representatives on the Supervisory Board are elected until 2026.
All employee representatives on the Supervisory Board are elected until 2027 with the exception of Shintaro Suzuki and Barbara Resch who were judicially appointed.

All current members of the Supervisory Board are also members of the Supervisory Board of Daimler Truck AG.

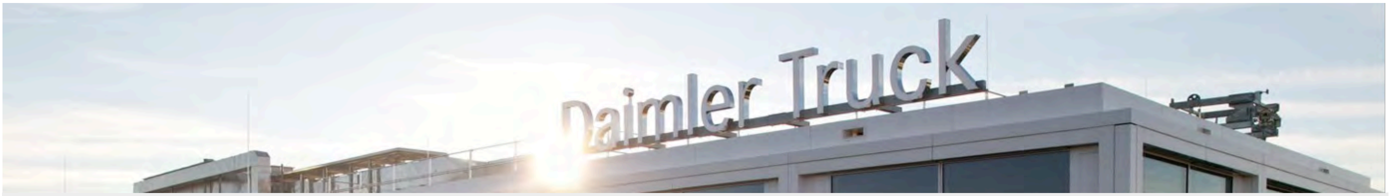
Detailed information on the members of the Supervisory Board, their positions on other supervisory boards or comparable monitoring boards and their curriculum vitae, as well as information on the committees of the Supervisory Board and their members, can be found at www.daimlertruck.com/en/company/corporate-governance/supervisory-board.

Objectives and Strategy

Trucks and buses are the backbone of our economy and society. The world stands still without them. At Daimler Truck, we like to say with conviction and pride: We work for all who keep the world moving – for the haulers who transport goods from ports around the world to supermarkets, construction sites and hospitals. For transport providers who bring people to work, school or on holiday. For the public services that keep our streets and cities clean, and for many more. We work for all who keep the world moving – this is our purpose and motivates us every single day.

A.04

Our Purpose, Our Vision, Our Strategy



OUR PURPOSE | For all who Keep the World Moving

OUR STRATEGY | Lead Transformation and Lead Profitability

Add Value for **Society** We strive for sustainability	Add Value for **Customers** We enhance our customer's business	Add Value for **Shareholders** We create superior value
Lead Technology Transformation We drive ZEV	**Focus on Core** We focus on core business and leverage globally	**Lead Service Transformation** We drive superior services
Partnerships We join forces	**People & Culture** We inspire	**Lean Organization** We deliver

OUR VISION | Leading Sustainable Transportation

Our long-term goals
Daimler Truck is one of the world's leading manufacturers of commercial vehicles. Our brands are firmly established in many regions of the world. Through our Financial Services segment, we offer our customers a comprehensive package of vehicles, financing and leasing products and other services.

The transport sector is in the midst of a fundamental transformation. On the path to decarbonization, diesel vehicles will still be needed for the transition, but we are convinced of two things: Firstly, in future, all trucks and buses will be zero-emission vehicles. And secondly, a combination of battery-electric and hydrogen-based drive technologies will be required to secure the future of transport and to be able to provide optimal customer solutions. We are therefore pursuing a dual strategy, leveraging our global size and entering into strategic partnerships to be efficiently positioned in terms of the necessary investments. This approach enables us to continuously adapt to different transformation rates and scenarios. In 2024, as part of the implementation of this strategy, we founded the Amplify Cell Technologies LLC joint venture with Cummins and PACCAR (each with 30% of the shares) and EVE Energy as a technology partner (10% of the shares) to jointly produce battery cells. Furthermore, we signed a binding agreement with the Volvo Group to jointly develop a software-defined vehicle platform and a dedicated operating system for trucks. Because the future of truck transport is not only locally CO_2e-free - it is also based on software.

We strive to continue to become more resilient and to bring our profitability to benchmark levels in order to close the gap with our best competitors. To this end, the Board of Management is working on sharpening the Daimler Truck strategy, into which Karin Rådström, Chairwoman of the Board of Management of Daimler Truck Holding AG, gave an initial insight regarding her priorities for the first 100 days as part of the financial reporting for the third quarter of 2024: Daimler Truck wants to shape the industry on its path to sustainability, be a true partner for its customers and help them improve their business. During the course of 2025, the Board of Management will share further details of the updated strategy. The Board of Management plans to announce updated strategic targets at a Capital Market Day in July 2025.

How we aim to achieve our long-term goals: Our strategy
In order to achieve our long-term objectives, we focus on three strategic levers:

1. Lead Technology Transformation – *We drive ZEV*

   We want to do our part to enable locally CO_2e-free transport on the roads by 2050. To this end, we will offer, among other things, battery-electric and hydrogen-powered trucks and buses that are CO_2e-free when in operation (“tank to wheel”).

   We are also focusing on digitalization in vehicles and the backend, as well as autonomous driving.

2. Focus on Core – *We focus on core business and leverage globally*

   We must prioritize in which areas we will focus our engineering capabilities and investments. A decisive criterion is which current or new technologies, products and services meet the requirements and wishes of our customers and society in the long-term. We want to combine our activities in order to be even stronger in the future.

3. Lead Service Transformation – *We drive superior services*

   We are driving the change towards services that offer a state-of-the-art physical and digital service ecosystem and support our customers' business in the best possible way. The transformation to locally zero-emission vehicles enables additional growth and business potential.

We are working on these prerequisites
We join forces
Partnerships help us to further accelerate change. With the right partners, we can reduce our own investment requirements, gain access to important expertise, reach critical mass more quickly and offer our customers a comprehensive service portfolio.

We inspire
Our employees are fundamental to our progress and success. In order to continue attracting top talent to Daimler Truck in future, we will continue to work tirelessly on an attractive working environment, corporate culture and the ongoing professional and personal development of our global team.

We deliver
In times of massive transformation in our industry, efficient use of resources is essential. We will continue to focus on a lean and agile organization with highly efficient structures and processes.

What does sustainability mean to us?
Sustainability is an integral part of our core business and our entrepreneurial activities. We want to decarbonize transport and passenger transportation and drive industry-wide transformation. In doing so, we act and assume responsibility for the benefit of the environment, people and society - on the basis of responsible corporate governance.

To achieve this goal, we concentrate our efforts on three areas:

– Environment: We are clearly committed to the Paris Agreement. We want to make sustainable transport and passenger transportation successful and thus contribute to climate and environmental protection.

– Social: We take responsibility towards society and our employees. Wherever we can change something for the better, we do so.

– Responsible corporate governance: We adhere to corporate governance rules and integrate sustainability into our short- and long-term decisions. We proactively address and manage compliance with standardized systems. We strive to give back to society and the communities around us.

We aim to ensure that business success, the development of profit potential and sustainability initiatives go hand in hand. This also means that we want to offer our customers the best possible products - and our shareholders a worthwhile investment. We create sustainable jobs and an attractive working environment for our employees. For society, we are a reliable industrial partner that lives up to its responsibilities.

We will only be successful in the long term if we act sustainably. And that is exactly what we are doing: We want to lead sustainable transportation – for all who keep the world moving.

How our segments are implementing the Daimler Truck strategy

Trucks North America offers a wide range of battery-electric medium- and heavy duty trucks and buses and is working with various partners to advance the expansion of charging and refueling infrastructure for battery-electric and hydrogen-powered commercial vehicles in the USA. In the field of battery technology Daimler Trucks & Buses US Holding LLC, Accelera by Cummins and PACCAR are collaborating with technology partner EVE Energy to accelerate and localize battery cell production and the battery supply chain in the United States. At the same time, Trucks North America is continuing to work with technology partners in the field of autonomous driving to bring a self-driving Freightliner Cascadia series production truck (SAE Level 4) onto the road by the end of the decade.

Mercedes-Benz Trucks is accelerating the decarbonization of transport: The series models of the eActros 300/400 and the eEconic are already being delivered to customers in Europe since 2022. The heavy duty battery-electric long-distance truck eActros 600 has been in series production since the end of 2024. European commercial vehicle journalists have named the vehicle "International Truck of the Year 2025". All existing and future services relating to electric infrastructure and the charging of electric trucks, i.e. advice, infrastructure and operation, are bundled under the new TruckCharge brand in Europe. In parallel, the development of the GenH2 Truck fuel cell truck is underway, with series production planned for the end of the decade. Five customers are already using the GenH2 Truck prototypes in initial customer trials, so that the engineers can learn from practical use. Mercedes-Benz Trucks is working with various partners to advance the development of charging and refueling infrastructure for battery-electric and hydrogen-powered vehicles in Europe.

Effective January 01, 2025, the business in China and India, previously part of Trucks Asia, was integrated into Mercedes-Benz Trucks Europe and Latin America. The aim of the new Mercedes-Benz Trucks segment is to utilize resources and expertise across regions, better leverage market opportunities, and respond more effectively to competitive dynamics.

In recent years, the Mercedes-Benz Trucks segment has worked to make its business in Europe more efficient and reduce costs. As the measures taken to date have not been sufficient, the evaluation process for implementing restructuring and efficiency measures is ongoing. The "Cost Down Europe" program was initiated for this purpose in January 2025.

Trucks Asia is driving locally CO_2e-free transport forward with its FUSO brand and the fully electric Next Generation eCanter. In addition to Europe, Japan and Australia, the new model is being introduced to Asian markets such as Indonesia, Hong Kong, Singapore and, in the future, India. In addition, sales of electric trucks in the USA and Canada have begun under the new RIZON brand. The RIZON trucks have received certification from the California Air Resources Board (CARB) and the Environmental Protection Agency (EPA). In India, Daimler Truck’s heavy duty vehicles are similarly in high demand. There the BharatBenz brand is capitalizing on the rapid infrastructure growth of the country and expanded the dealership network to more than 360 sales and service locations nationwide.

Daimler Buses drives locally CO_2e-free passenger transport in the bus industry. To this end, the segment has a clear e-roadmap for the electrification of its vehicles across all market segments. In line with the dual-track strategy at Daimler Truck Group level, Daimler Buses is relying on both battery-electric and hydrogen-based technologies. The purely battery-electric Mercedes-Benz eCitaro city bus has been in series production since 2018. Since 2023, the vehicle has also been offered with a hydrogen-based fuel cell as a range extender. The battery-electric Mercedes-Benz eIntouro is also planned from 2026. Furthermore, Daimler Buses plans to have electrically powered coaches in its portfolio by the end of the decade. Daimler Buses thus aims to offer locally CO_2e-free models based on batteries or hydrogen in every market segment by 2030. The focus is initially on the core markets of Europe and Latin America. By 2039, only locally CO_2e-free new vehicles are planned to be sold in the core market of Europe. In the city bus segment, this should already be the case in Europe from 2030 onwards. In addition, Daimler Buses supports transport companies in switching to electrically powered buses: The wholly-owned subsidiary Daimler Buses Solutions GmbH is entirely specialized in the design and development of turnkey e-infrastructure for buses. The segment is also focusing on growth in profitable markets and is tapping into the US market with a coach tailored to local needs, the Mercedes-Benz Tourrider.

Financial Services makes a significant contribution to Daimler Truck's service growth. The segment plans to increase its share of the core business of leasing and financing to around 30% of all trucks and buses sold by Daimler Truck in the medium term. Financial Services has also started a project to open up new markets in Eastern Europe. Financial Services also supports customers on their way to sustainable transport solutions with new products and services. For example, with Charging or FUSO Green Lease we are offering an eMobility ecosystem to our eCanter customers in Japan including leasing and maintenance contracts, solutions for charging infrastructure including charging management systems, battery guarantee options, connectivity offers as well as many other services.

B

Combined Management Report

1 The content of this section corresponds to our Group Sustainability Statement. Our auditor, KPMG AG, Berlin, has conducted an independent assurance engagement on this Group Sustainability Statement to obtain limited assurance.
2 The content of this section was not submitted to an audit in the context of the statutory audit of our Combined Management Report.

Corporate Profile

More than 125 years ago, Gottlieb Daimler and Carl Benz laid the foundation for the modern transport industry with their first trucks and buses. From this emerged the present-day Daimler Truck Group (hereinafter referred to as “Daimler Truck” or “Group”), which ranks among the world's largest commercial vehicle manufacturers, boasting over 40 production sites worldwide and over 100,000 employees. The Company has clearly formulated its overarching goal (the “Purpose”): The Group works for all who keep the world moving. Daimler Truck customers deliver goods reliably, punctually and safely to their destinations and make people mobile. The Company provides the technologies, products, and services required for this purpose, including the transition to locally CO_2e-free commercial vehicles. Daimler Truck aims to lead sustainable transportation to success, with significant technological expertise and a clear focus on customer needs.

Daimler Truck was spun off from Daimler AG (now Mercedes-Benz Group AG) in 2021. Daimler Truck Holding AG is the Group's parent company, with its registered office in Stuttgart and its headquarters in Leinfelden-Echterdingen, Germany. It was established in March 2021 to execute the spin-off from Daimler AG and has been listed on the stock exchange since December 2021.

This combined management report pertains to the 2024 financial year. The management reports for Daimler Truck Holding AG and for the Group have been combined in this report. The combined management report includes chapter Sustainability at Daimler Truck, which corresponds to the Group Sustainability Statement, and the Declaration on Corporate Governance.

Business model

Daimler Truck operates significant production facilities in Brazil, Germany, France, India, Japan, Mexico, Türkiye, as well as the USA, and locations across most countries worldwide.

The Daimler Truck Group unites eight vehicle brands under its umbrella: Freightliner, Thomas Built Buses, Western Star, Mercedes-Benz, FUSO, BharatBenz, RIZON, and Setra. Its truck product range encompasses light, medium, and heavy duty trucks for long-haul, distribution, and construction applications, specialized vehicles primarily used in the municipal sector, as well as industrial engines. The bus product range includes city buses, intercity buses, coaches, and bus chassis. Trucks constitute the majority of the overall sales volume.

In addition to selling new and used commercial vehicles, the Group also offers aftersales services and connectivity solutions, such as Detroit Connect, truckonnect, Mercedes-Benz Uptime, Fleetboard, and OMNIplus ON. Additionally, Daimler Truck Financial Services is a prominent brand offering tailored financial and mobility services.

Among Daimler Truck's key global competitors are the Volvo Group, the TRATON Group, and PACCAR.

The reporting is based on five segments: Trucks North America, Mercedes-Benz Trucks, Trucks Asia, Daimler Buses, and Financial Services. Trucks North America, Mercedes-Benz Trucks, Trucks Asia, and Daimler Buses together form the vehicle segments. These segments encompass the development, production, and sale of trucks, buses, engines, and associated services under their respective brands. In addition, other business activities, particularly in the field of autonomous driving (SAE Level 4), as well as central projects not allocated to specific segments, and especially eliminations, are combined in the reconciliation. Together, the vehicle segments and the reconciliation form the Industrial Business.

Effective January 01, 2025, Daimler Truck integrated its businesses in China and India from the Trucks Asia segment into the Mercedes-Benz segment. This formed one global Mercedes-Benz Trucks segment. All other activities of the Trucks Asia segment are not affected by this reorganization, nor are the Trucks North America, Daimler Buses and Financial Services segments. The reporting is based on the segment composition as at December 31, 2024. If text passages refer to the new segment allocation of the businesses in China and India, this is explicitly stated.

Activities of the segments

Trucks North America is the number one manufacturer of Class 8 heavy duty on-highway trucks in North America by unit sales and number two in the vocational market with premium off-road, construction and special-purpose vehicles. Trucks North America designs, engineers, manufactures and markets medium and heavy duty trucks, school buses, chassis and components under the brands Freightliner, Western Star, Thomas Built Buses, Freightliner Custom Chassis Corp. and Detroit. The segment's production network (vehicle, powertrain and remanufacturing) comprises 16 manufacturing sites, twelve in the USA, three in Mexico and one site in South Africa.

The **Mercedes-Benz Trucks** segment with its truck brand Mercedes-Benz is the top-selling manufacturer in the EU30 region (European Union, United Kingdom, Switzerland, Norway). Mercedes-Benz Trucks develops, produces, and distributes trucks under the brand Mercedes-Benz in Europe, the Middle East, Africa, and Latin America. It also manages the sales of FUSO trucks in Europe and Latin America. Its product range spans light, medium, and heavy duty trucks, including special-purpose vehicles. Mercedes-Benz branded trucks are designed for a wide range of applications such as long-haul, heavy distribution, regional line haul, urban delivery, municipal services, off-road commercial vehicles, and logistics. The segment also manufactures its own powertrains across several production sites in Germany and Brazil. Through its dealer network, Mercedes-Benz Trucks offers customers services such as maintenance, repairs, spare parts, digital services, and fleet management.

Additionally, Mercedes-Benz Trucks sells used commercial vehicles through its TruckStore locations. The segment operates eleven sites in Europe, Latin America, and Africa.

Trucks Asia combines the business operations of Mitsubishi Fuso Truck and Bus Corporation (MFTBC) based in Japan and Daimler India Commercial Vehicles (DICV) in India. The segment holds a strong position in Japan, Indonesia, India, and other major markets worldwide. It develops, manufactures, and sells trucks and buses under the brands FUSO, BharatBenz, and RIZON. It also distributes Mercedes-Benz trucks and buses in numerous Asian markets. Mitsubishi Fuso Truck and Bus Corporation also manufactures industrial engines. In May 2023, Daimler Truck, MFTBC, Hino Motors, and Toyota Motor Corporation signed a memorandum of understanding to accelerate the development of advanced technologies and to merge Mitsubishi Fuso and Hino Motors. Negotiations to conclude final contracts are ongoing.

The production network of Trucks Asia includes nine locations in Japan, India, Indonesia, Portugal, and China. Through Daimler Truck China (DTC), Trucks Asia operates in China, retailing imported Mercedes-Benz trucks. In the joint venture Beijing Foton Daimler Automotive Co., Ltd. (BFDA) with Beiqi Foton Motor Co. Ltd (Foton), trucks are produced under the Auman brand. Since 2022, the joint venture has also been selling locally manufactured tractor units under the brand Mercedes-Benz for the Chinese market. Daimler Truck is currently discussing the future of its China business with its partners.

Daimler Buses is a full-service provider of buses and chassis with permissible gross weights exceeding eight tons. With its brands Mercedes-Benz and Setra, the segment is the top-selling manufacturer in its traditional core markets EU30, Brazil, Argentina, and Mexico. The product range of Daimler Buses includes coaches, intercity buses, city buses, and bus chassis. While Mercedes-Benz buses predominantly stand for high-quality technology at cost-effective operating costs, the brand Setra is aimed at an upscale clientele. The segment operates ten sites in Europe, Latin America, North America, and Africa.

For aftersales service and spare parts, Daimler Buses operates its own brand, OMNIplus ON, and for used vehicles its own dealer network, BusStore. Additionally, the segment includes the wholly-owned subsidiary Daimler Buses Solutions GmbH, specializing in designing and establishing e-infrastructure for buses.

The segment **Financial Services** is one of the world's largest financial services providers in the commercial vehicle segment and supports the sale of the Group's truck and bus brands with customized financial services. These include rental, leasing and financing offers for vehicles and the charging infrastructure, insurance brokerage, payment and integrated service offers for zero-emission vehicles.

Integrated financial services are playing an increasingly important role for the Group's customers, as they make it easier for them to use and maintain their vehicles at predictable and flexible conditions. Financial Services has the clear objective of increasing customer loyalty, supporting the transformation to CO_2e-neutral transportation and contributing to the Group's financial success.

All segments are committed to the core ambition of Daimler Truck: From 2039 onwards, the Group aims to offer only new vehicles in the regions Europe, USA, and Japan that are CO_2e-free in driving operation (tank-to-wheel). To that end the Group is developing a comprehensive product portfolio. By the end of 2024, Daimler Truck already had eleven locally CO_2e-free models in series production.

In a joint venture with the Volvo Group, cellcentric GmbH & Co. KG (cellcentric) aims to develop, produce, and market hydrogen fuel cells and systems. Together with Accelera, a business unit of Cummins, PACCAR (30% share each) and EVE Energy as technology partner (10% share), the joint venture Amplify Cell Technologies LLC was founded in 2024 for the production of battery cells for heavy duty trucks in the USA.

Daimler Truck supports the establishment of charging infrastructure through a series of strategic partnerships and pilot projects to accelerate the transition to CO_2e neutrality in transport. In future there will be an increasing availability of tailored financial services for alternative propulsion technologies.

B.01

Group structure of Daimler Truck[1]

DAIMLER TRUCK

Trucks North America	Mercedes-Benz Trucks	Trucks Asia	Daimler Buses	Financial Services
23.8[2] / 28,159[3]	19.1[2] / 38,429[3]	6.1[2] / 15,938[3]	5.2[2] / 15,879[3]	3.3[2] / 1,851[3]
FREIGHTLINER	Mercedes-Benz	FUSO	Mercedes-Benz	DAIMLER TRUCK Financial Services
WESTERN STAR	FUSO	BHARATBENZ	SETRA	
Thomas Built Buses		Mercedes-Benz		
		RIZON		

1 Presentation of the main brands per segment at December 31, 2024.
2 Revenue in 2024 financial year in billions of euros.
3 Active workforce at December 31, 2024. This reflects the active workforce excluding vacation employment as a full-time equivalent.

Important events

In 2024, the global Daimler Truck team worked with great dedication for all who keep the world moving. We focused our strategy on leading the sustainable, CO_2e-neutral transportation of the future as well as increasing our profitability, and we are consistently implementing it step by step. On the following pages the past year at Daimler Truck can be reviewed along the most important milestones.

Eva Scherer as new CFO of Daimler Truck
The Daimler Truck Supervisory Board appointed Eva Scherer as Chief Financial Officer (CFO) and thus as a new member of the Board of Management of Daimler Truck Holding AG with effect from April 01, 2024. The appointment is made for three years until March 31, 2027.

Selection of Mississippi for battery cell production
Accelera by Cummins, Daimler Truck and PACCAR (30% each of the shares) have together with the technology partner EVE Energy (10% of the shares) for their joint venture Amplify Cell Technologies LLC selected Marshall County, Mississippi, as the future site of advanced battery cell production. The joint venture will localize battery cell production for commercial electric vehicles and is expected to create more than 2,000 U.S. manufacturing jobs. The groundbreaking ceremony took place in July 2024. The 21 gigawatt hour factory is scheduled to begin battery cell production in 2027. The approximately 200-hectare site will house an energy-efficient facility measuring over 185,000 square meters with an annual production capacity of 21 gigawatt hours for the production of lithium iron phosphate battery cells (LFP).

60th anniversary of the Fuso plant in Portugal
Daimler Truck announced the 60th anniversary of the production facility in Tramagal, Portugal. The Mitsubishi Fuso Truck Europe S.A. plant is one of the largest employers in the region and the third-largest automobile manufacturer in Portugal. The Tramagal plant produces the FUSO Canter and the fully electric FUSO eCanter for the European market.

First customer deliveries of RIZON trucks
The first all-electric RIZON trucks were handed over to customers in California. The all-electric US class 4 and 5 trucks address a diverse range of customer use cases and emphasize Daimler Truck's commitment to decarbonize the company-wide product portfolio.

Options for green liquid hydrogen supply to Europe
Daimler Truck and Masdar have signed a memorandum of understanding to explore the feasibility of green liquid hydrogen supply options from Abu Dhabi to Europe. The Initiative has significant potential to enable decarbonized road freight transport in Europe. The agreement supports the United Arab Emirates' ambition of becoming a leading producer and supplier in the low-carbon hydrogen market by 2031, as well as the European Green Deal emission reduction targets.

New standard for liquid hydrogen refueling technology
Daimler Truck and Linde Engineering have presented sLH2, a jointly developed refueling technology for subcooled liquid hydrogen. Compared to gaseous hydrogen, the technology enables higher storage density, greater range, faster refueling, lower costs and superior energy efficiency. The first public sLH2 filling station was inaugurated in Wörth am Rhein and is used since mid-2024 by selected logistics customers for initial customer trials with the Mercedes-Benz GenH2 truck.

New rental business in Brazil
Daimler Truck Financial Services launched the rental business for truck and bus customers in Brazil. Rental contracts for Mercedes-Benz Actros, Atego and Accelo with terms of 36, 48 and 60 months are on offer. The package includes preventive maintenance, fleet management, documentation, insurance, and connectivity services and is available in more than 180 dealerships.

1,000th delivery of Jouley battery-electric school bus
The electric school bus model in the Thomas Built Buses product portfolio, was introduced in 2017, pioneering the way to all electric school bus transportation. The 1,000th Saf-T-Liner C2 Jouley was part of a larger order and went to a school district in the US state of Georgia.

New tailor-made credit line
Daimler Truck AG has signed a new revolving credit line worth €5 billion. The Company was taking advantage of attractive conditions on the credit market at the time and replaced the syndicated credit line that has existed since the spin-off from Mercedes-Benz Group AG (formerly Daimler AG) in the same amount before it reached maturity.

The new Actros L by Mercedes-Benz Trucks
The futuristically designed ProCabin heralds a new era for the Actros model series. The 80 millimeter longer front end and further aerodynamic measures bring about fuel savings of up to three percent. The new Actros L can be ordered since April 2024. Start of production was in December 2024.

Greenlane Joint Venture: Announcement of charging station corridor for commercial battery-electric vehicles in the US
Daimler Truck AG announced the first 280-mile (451 km) charging corridor for battery-electric commercial vehicles. Greenlane, a joint venture between Daimler Truck North America LLC, NextEra Energy Resources, LLC, and BlackRock is aiming to design, develop, install and operate a high-performance public charging and hydrogen refueling network for medium and heavy duty battery-electric and hydrogen fuel cell commercial vehicles in the United States.

RIZON market launch in Canada
Daimler Truck's newest brand announced the Canadian launch of its battery-electric Class 4-5 trucks. The brand RIZON was then presented for the first time in Canada at Truck World in Toronto in April. The vehicles have been available to order for Canadian customers since June 2024. The first deliveries to customers have been taking place since December 2024.

Mercedes-Benz Trucks developers successfully test electric charging at 1,000 kilowatts
Mercedes-Benz Trucks developers have successfully charged a prototype of the eActros 600 presented in 2023 for the first time, at a charging station with an output of one megawatt at the in-house development and testing center in Wörth am Rhein. Mercedes-Benz Trucks is extensively involved in the development of the new, industry-wide MCS charging standard. MCS plays a central role, particularly for public charging along important transport corridors.

One million Freightliner Cascadia produced
Daimler Truck celebrates the significant milestone of the 1 millionth produced Freightliner Cascadia heavy duty truck since 2007. The best-selling Cascadia is the first Class 8 truck in North America to reach this seven-figure mark. In North America, the vehicle is sold via a dealer network comprising almost 500 locations.

Strategic partnership for more efficient electric buses
Daimler Buses and the battery system expert BMZ Poland have agreed on a strategic partnership for the development and supply of the next generation of batteries for electric buses. BMZ, together with Daimler Buses, will further develop the existing battery technology specifically for the requirements of electrically powered buses. The new NMC4 battery generation is scheduled to combine high energy density, which enables a longer range for electric buses, with a long cycle life. Daimler Buses customers are expected to benefit from the new batteries as of 2026.

First Green Mover Award ceremony
On April 24, 2024, Daimler Truck presented its internal environmental award, the “Green Mover Award”, for the first time. The award recognizes outstanding projects and initiatives in the field of environmental protection and responsibility.

Presentation of the first autonomous Freightliner eCascadia
Daimler Truck combined battery-electric drive and autonomous driving in a single technology platform for the first time. The truck is based on the North American series model of the Freightliner eCascadia and is equipped with TORC Robotics' autonomous driving software as well as state-of-the-art sensor and computer technology. As planned, these components will in future enable the technology platform to drive autonomously in accordance with SAE Level 4. TORC Robotics, Inc. is a subsidiary of Daimler Truck for autonomous driving technology.

Expansion of the defence portfolio of Mercedes-Benz Special Trucks
With the new Mercedes-Benz Zetros 8x8 truck, Mercedes-Benz Special Trucks completes the Zetros product family. The vehicle will be available with two-, three- or four-axle vehicle and, if desired, also with a protected cabin from a single source. With the new Zetros 8x8 and the new protected cabin ex plant, Mercedes-Benz Special Trucks is expanding its portfolio in the field of military logistics and support vehicles. 1,500 Zetros logistics trucks will be produced for a major order from the Canadian Ministry of Defense, including around 500 four-axle vehicles with all-wheel drive, 8x8.

Daimler Truck upgraded by S&P rating agency
The rating agency Standard & Poors Global Ratings (S&P) announced that it has raised its long-term rating for Daimler Truck from BBB+ to A-. The reasons for this are stable revenue, robust profitability and favorable cash flow. S&P's outlook for Daimler Truck is stable.

Studying the improvement of liquid hydrogen supply chains
Daimler Truck and Kawasaki Heavy Industries signed a memorandum of understanding to jointly study improved liquid hydrogen supply options for the decarbonization of road freight transportation in Europe. The initiative covers key elements of the entire supply chain and has significant potential to reduce costs of liquid hydrogen.

Start of customer-oriented testing of Mercedes-Benz GenH2 Trucks
On the path towards decarbonizing transport, Daimler Truck entered the next development phase of its fuel cell trucks. After intensive testing on the test track and public roads, the Mercedes-Benz GenH2 Trucks are now at an advanced stage of development, meaning that they can be brought into customer-oriented testing in daily logistics operations in a variety of applications. The findings from the approximately one-year test phase will be taken into account for series development.

Most extensive test drive in the history of Mercedes-Benz Trucks
During the “eActros 600 European Testing Tour 2024”, two near-production prototypes of the new eActros 600 electric flagship covered more than 15,000 kilometers. They drove through over 20 European countries, each with 40 tonnes total towing weight. The highlights of the battery-electric long-distance trucks' journey included the northernmost and southernmost points of mainland Europe: the North Cape in Norway and Tarifa in Spain.

Daimler Truck Financial Services on its way to becoming an integrated service provider for electromobility
The segment is building up new services that support the introduction of zero-emission vehicles. Daimler Truck Financial Services not only provides the financing for trucks and buses, but also offers customers a holistic ecosystem for vehicles and charging infrastructure from a single source together with Daimler Truck. The transformation into a full-service provider means additional growth opportunities with new products and business models that go beyond classic leasing and financing for trucks and buses.

First tranche of 2023 share buyback program completed
On August 02, 2023, Daimler Truck Holding AG started a share buyback program with a total purchase value of up to €2 billion (not including ancillary acquisition costs), spanning a period of up to 24 months. The first of two tranches of this program has been successfully completed as of August 30, 2024. A total of 31,083,593 shares with a total value of €1,032 million were repurchased. The repurchased shares were cancelled as announced and the share capital was reduced accordingly. A second tranche of the share buyback program was launched on September 17, 2024 and is expected to be completed by August 01, 2025.

Generational transition at the top of the Company
The Supervisory Board of Daimler Truck Holding AG has appointed Karin Rådström as the new Chief Executive Officer of the Company effective October 01, 2024, and she was appointed in this function until January 31, 2029. She succeeded Martin Daum who stepped down as CEO paving the way for the next chapter of the Company’s transformation. Martin Daum remained as full member of the Board of Management until December 31, 2024, to support a smooth handover. The Supervisory Board thanks Martin Daum for his efforts and his lifetime achievements.

Groundbreaking ceremony for the first charging station for battery-electric commercial vehicles in California
Greenlane, a joint venture between Daimler Truck North America LLC, NextEra Energy Resources, LLC and BlackRock, has broken ground at its first charging site in Colton, California, marking the start of construction of the Company's first commercial charging corridor, which will stretch substantially from the Los Angeles to Las Vegas metropolitan areas along Interstate Highway 15. When fully built, the Colton site is planned to include more than 60 charging points for heavy, medium and light duty battery-electric commercial vehicles.

CO_2e-neutral long-haul transport as the focus of the IAA Transportation 2024
In September, Daimler Truck demonstrated its path to sustainable transportation at the IAA Transportation 2024 trade fair in Hanover. The focus was on decarbonization and digitalization. Daimler Truck's trade fair highlight was the battery-electric Mercedes-Benz eActros 600 truck. Its new electric flagship is intended to make a tangible contribution to the decarbonization of long-haulage, which accounts for two-thirds and thus the majority of local CO_2e emissions in truck traffic.

The new Mercedes-Benz eCitaro K: e-mobility in compact format
Daimler Buses is expanding the Mercedes-Benz eCitaro model range and is now offering a short version of the popular, fully electric low-floor bus, the 10.6-meter-long Mercedes-Benz eCitaro K, alongside the 12.1-meter-long eCitaro and the 18.1-meter-long eCitaro G. With a turning circle of just 17.3 meters, the new eCitaro K feels at home on narrow, winding routes in suburbs and historic city centers.

International Truck of the Year 2025
Commercial vehicle journalists from 24 European countries have chosen the battery-electric Mercedes-Benz eActros 600 as the “International Truck of the Year 2025”. The new electric flagship model from Mercedes-Benz Trucks scores with its advanced aerodynamics, high performance drive and a range of around 500 kilometers on one battery charge.

Presentation of the fifth generation of the Freightliner Cascadia
The Daimler Truck brand Freightliner, a leading manufacturer of medium and heavy duty trucks and a division of Daimler Truck North America (DTNA), unveiled the fifth generation of its heavy duty model Cascadia. The new generation of the Class 8 truck in the North American market brings improvements in safety, efficiency and profitability.

Joint Venture between Daimler Truck and Volvo Group for software-defined vehicle platform
Daimler Truck and Volvo Group have signed a binding agreement to establish a new 50/50 joint venture to develop a software-defined vehicle platform for heavy duty vehicles and drive the industry transformation. The common goal of the partners is to develop a truck operating system and to offer the versatile application- and brand-independent products from this joint venture to other commercial vehicle OEMs.

Achim Puchert new CEO of Mercedes-Benz Trucks
The Supervisory Board of Daimler Truck has appointed Achim Puchert as a member of the Company's Board of Management with responsibility for the regions Europe and Latin America and the brand Mercedes-Benz Trucks, effective from December 01, 2024, to November 30, 2027. Achim Puchert was previously CEO and President of Mercedes-Benz do Brasil and Latin America. He succeeded Karin Rådström, who in turn was appointed Chairwoman of the Board of Management.

Daimler Truck Cares: Another donation for the people in Ukraine
As a sign of ongoing solidarity, Daimler Truck is continuing its support for the people in Ukraine and has once again donated one million euros to local aid organizations. The Company is aware of its responsibility for society, the environment and the communities around its locations. Under the "Daimler Truck Cares" program, initiated in July 2024, the Company is bundling its global corporate citizenship commitment in the areas of corporate giving (cash and in-kind donations) and corporate volunteering (voluntary commitment by employees during working hours).

Electrification of bus transport between urban and rural areas
Daimler Buses has presented its first battery-electric inter-city bus, the Mercedes-Benz eIntouro, as a near-series prototype. In doing so, the manufacturer is electrifying local public transport between urban and rural areas. The vehicle will offer a range of up to 500 kilometers and is therefore suitable for longer distances and higher average speeds – for example on country roads – compared to an electric city bus. The bus is equipped with the same battery technology as the Mercedes-Benz eActros 600 long-haul truck, namely LFP (lithium iron phosphate) batteries.

Start of series production of the Mercedes-Benz eActros 600
The electrification of the product range at Daimler Truck is progressing: The Company celebrated the series launch of the Mercedes-Benz eActros 600 for long-distance haulage at the Mercedes-Benz plant in Wörth in November. The high battery capacity of over 600 kilowatt hours and a new, particularly efficient electric drive axle developed in-house enable the electric truck to achieve a range of around 500 kilometers without intermediate charging.

Performance measurement system

Value-based performance measurement system

The value-based performance measurement system of Daimler Truck is intended to ensure that the interests and demands of investors are taken into account. The aim is to align the management of Daimler Truck with the development of the Company's value. Consequently, the return expectations of Daimler Truck's investors are also considered.

Financial performance measures

Revenue

Revenue is the baseline indicator for sales-related performance of the Group, the Industrial Business and its segments as well as for Financial Services. For the Industrial Business, it mainly arises from the sales of vehicles and spare parts as well as from other vehicle-related services. Additionally, revenue from the rental and leasing business as well as interest from the Financial Services business is included.

EBIT

EBIT is used as the measure of operating profit for the Group, the Industrial Business and its segments, as well as for Financial Services. As earnings before interest and income taxes, EBIT reflects the profit for which the segments are responsible.

The respective EBIT is derived from gross profit, which is the result of revenue less cost of sales. EBIT as operating profit measure is then calculated, after taking into account selling expenses, general administrative expenses, research and non-capitalized development costs, and other income and expenses. The EBIT of the Industrial Business additionally includes other reconciliation items of the Group that cannot be allocated to the segments. The EBIT for Financial Services already includes the net interest income from operating activities, which is typical for the financial services sector.

To provide a more transparent picture of the recurring business, an adjusted EBIT for the Group, the Industrial Business and its segments and Financial Services is calculated and reported. The adjustments include individual items if they lead to material effects in a reporting year or in special cases after approval by the Chief Financial Officer of Daimler Truck. These individual items may in particular relate to legal proceedings (and related measures), restructuring measures and M&A-related matters.

Return on sales (Industrial Business)

The return on sales is used to assess sales-based profitability in the Industrial Business. It is calculated as the ratio of EBIT to revenue. Revenues are primarily influenced by unit sales. Based on the adjusted EBIT, the adjusted return on sales for the Industrial Business and its segments is also reported.

Return on capital employed (Industrial Business)

The return on capital employed is used to assess the profitability of the invested capital in the Industrial Business. It is calculated as the ratio of EBIT to the average operating net assets of the Industrial Business. If the return on capital employed exceeds the cost of capital rate before taxes, value is created from the perspective of shareholders. The cost of capital rate is derived from the minimum rates of return of equity investors and creditors. For the 2024 financial year, the cost of capital rate for the Industrial Business is 12% before taxes.

Operating net assets (Industrial Business)

The segments of the Industrial Business are accountable for all assets and liabilities which are in their operative control. Their net value represents the capital employed of the Industrial Business segments for running their business. The operating net assets of the Industrial Business additionally include other reconciliation items of the Group that cannot be allocated to the segments. Items related to liquidity, income taxes or pensions are not part of the operating net assets. The steering of the Industrial Business and its segments is based on the average operating net assets of the year. This is calculated as the average of the operating net assets for each quarter in the year. These are determined as the average of the beginning and end balance of each quarter.

Free cash flow (Industrial Business)

The main indicator of the financial strength of the Daimler Truck Group is the free cash flow of the Industrial Business. In addition to cash flows from operating activities, this also includes cash flows from investing activities of the Industrial Business. The cash flows from the purchase and sale of marketable debt securities and similar cash investments included in cash flows from investing activities are eliminated, as these securities are classified as cash and cash equivalents and their change is therefore not part of the free cash flow of the Industrial Business. On the other hand, effects in connection with the recognition of rights of use resulting from lessee accounting, which are mainly non-cash-effective, are included in the free cash flow of the Industrial Business. The free cash flow of the Industrial Business also includes other reconciliation items not attributable to the segments.

In addition to the derivation from the cash flows from operating and investing activities, the free cash flow of the Industrial Business can also be derived from the cash flow before interest and taxes (CFBIT) of the Industrial Business and its segments. The CFBIT is used to manage operating cash generation at segment level in the Industrial Business. It is derived from the EBIT and changes in operating net assets but also includes additions of right-of-use assets. The reconciliation from the CFBIT to the free cash flow of the Industrial Business also includes taxes and interest paid. The other reconciliation items include, in addition to eliminations between the segments, topics for which the segments are not responsible.

For a more transparent presentation of the ongoing business, an adjusted CFBIT and an adjusted free cash flow of the Industrial Business are additionally identified and reported. The adjustments are made similarly to the adjustments in the EBIT. Additionally, adjusted cash conversion rate (CCR) is calculated from the ratio of the adjusted CFBIT and the adjusted EBIT.

Net liquidity (Industrial Business)
The net liquidity reflects the share of liquidity attributable to the Industrial Business after taking into account all financing liabilities of the Industrial Business. It is calculated as the total of the balance sheet positions of cash, cash equivalents and marketable debt securities and similar investments included in liquidity management, offset by the currency-hedged nominal amounts of financing liabilities. To the extent that the Group's internal refinancing of the Financial Services business is provided by the companies of the Industrial Business, this amount is deducted in the calculation of the financing liabilities of the Industrial Business. The free cash flow of the Industrial Business represents the main driver of net liquidity.

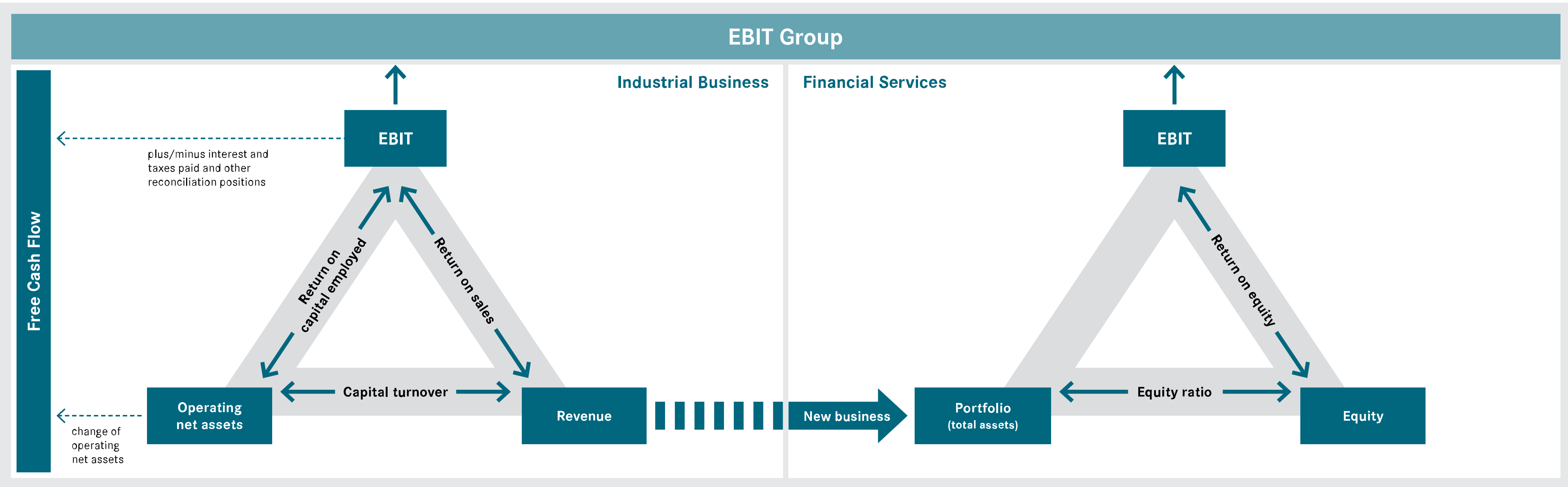
Investments in property, plant and equipment
The Group's investments in property, plant and equipment are an important performance indicator for Daimler Truck to manage its asset base. This serves to further enhance the attractiveness and future viability of the product range and production processes. This item includes investments in plant and equipment, as well as investments in land, buildings and operating facilities.

Research and development expenditures
The Group's research and development expenditures are another main performance indicator for preserving future viability. This indicator is used to support decision making on future activities with regard to the technological challenges ahead, and thus to further strengthen the competitive position of Daimler Truck. In addition to research and non-capitalized development costs, the Group's capitalized development expenditures are also included.

Return on equity (Financial Services)
For Financial Services, profitability is assessed on the basis of return on equity. The return on equity is calculated as EBIT divided by quarterly average equity. If the return on equity exceeds the cost of equity rate, value for shareholders is created in the Financial Services segment. The cost of equity rate for financial year 2024 is 14% before taxes. Based on adjusted EBIT, an adjusted return on equity for Financial Services is also reported.

New business (Financial Services)
New business is an important performance indicator for Financial Services. The figure indicates the volume of all new leasing and financing contracts concluded.

B.02
Financial performance measurement system



Non-financial performance measures

In addition to financial measures, various non-financial measures are used to manage the Company. Of particular importance in this respect are the unit sales of the Industrial Business. They are calculated as the total of vehicle sales in the Industrial Business less intersegment Group transactions. In addition, Daimler Truck pursues non-financial targets in the area of sustainability, which are described in more detail in the chapter Sustainability at Daimler Truck. Non-financial, sustainability-related components are also anchored in the variable remuneration of the Board of Management. In the 2024 financial year, the zero-emission vehicle sales, the reduction of CO_2e-emissions of the Daimler Truck Group production sites, the general well-being of employees and the global share of female managers were taken into account in the remuneration model. This creates an incentive to consistently implement Daimler Truck's sustainable business strategy.

Definition of sensitivities

For a qualitative-comparative description of changes per key figure, the intervals defined below, rounded to one decimal place, are used.

The overall market, unit sales and revenue of Daimler Truck as well as the contract volume and new business of Financial Services are considered to be at the prior year's level if they are in a range of minus 2.0% to +2.0%. A change in a range between below minus 2.0% and minus 7.5% or between above +2.0% and +7.5% is considered a slight decrease or a slight increase compared with the prior year. If the change is below minus 7.5% or above +7.5% compared with the prior year, this is classified as a significant decrease or a significant increase.

EBIT and adjusted EBIT, research and development expenditures as well as investments in property, plant and equipment are considered to be at the prior year's level if they are in a range of minus 5.0% to +5.0%. A change in a range between below minus 5.0% and minus 15.0% or between above +5.0% and +15.0% is considered a slight decrease or a slight increase compared with the prior year. If the change is below minus 15.0% or above +15.0% compared with the prior year, this is classified as a significant decrease or a significant increase.

The free cash flow of the Industrial Business is considered to be at the prior year's level if it is in a range of minus 10.0% to +10.0%. A change in a range between below minus 10.0% and minus 25.0% or between above +10.0% and +25.0% is considered a slight decrease or a slight increase compared with the prior year. If the change is below minus 25.0% or above +25.0% compared with the prior year, this is classified as a significant decrease or a significant increase.

Key performance indicators

Key performance indicators for the Daimler Truck Group within the meaning of German Accounting Standard (Deutscher Rechnungslegungs Standard or DRS) No. 20 for 2024 included the following performance measures at Group level: revenue, EBIT and adjusted EBIT. The key performance indicators for the Industrial Business were both unit sales and free cash flow. The adjusted return on equity and new business constituted the key performance indicators for the Financial Services segment.

For the year 2025, revenue at Group level will no longer be classified separately as key performance indicator, as it is mainly influenced and steered by the revenue at Industrial Business level. For the year 2025, there will therefore be no outlook for revenue at Group level. In its place, revenue of the Industrial Business will be classified as new key performance indicator for 2025.

Furthermore for the year 2025, EBIT at Group level will no longer be classified separately as key performance indicator, as changes in this regard are already reflected in the adjusted EBIT key performance indicator. For the year 2025, there will therefore be no outlook for EBIT at Group level.

Additionally, for the year 2025, new business of the Financial Services segment will no longer be classified separately as key performance indicator, since steering is primarily based on the adjusted return on equity key performance indicator of the segment Financial Services. For the year 2025, there will therefore be no outlook for new business of the Financial Services segment.

Detailed information on the development of financial and non-financial performance indicators can be found in the chapters Economic Conditions and Business Development, Profitability, Liquidity and Capital Resources, Financial Position, Sustainability at Daimler Truck, in the Outlook of the combined management report as well as in the remuneration report at www.daimlertruck.com/en/company/corporate-governance/board-of-management/remuneration-of-the-board-of-management.

Economic Conditions and Business Development

The definition of the sensitivities for the qualitative-comparative description of changes in key figures ("on", "slightly" and "significantly" above or below the prior-year level) can be found in chapter Performance measurement system of the combined management report.

The world economy

Despite ongoing geopolitical crisis, the development of the global economy in the reporting year was stable. Inflation rates continued to decline compared to 2023, leading to the first interest rate cuts by major central banks. Global inflation averaged around 4.5% in 2024. Global gross domestic product (GDP) increased by roughly 2.5% in the past reporting year.

The US economy developed slightly better than expected in 2024. A robust labor market and strong private consumption led to GDP growth of 2.8% in the reporting year despite high interest rates. In addition, the weakening price pressure over the course of the year allowed the Federal Reserve (Fed) to make its first interest rate cuts. The average increase in consumer prices was 2.9% last year.

In the eurozone, inflation moved towards the target value of the European Central Bank (ECB) over the course of the year, although rates rose slightly again towards the end of the year. For the full year 2024, the inflation rate was 2.4%. In line with this development, the ECB started with its first interest rate cut in June and continued this course until the period-end. In December, the deposit rate was 3.0%. Despite this change in monetary policy, economic growth in the eurozone remained weak in 2024: GDP grew by 0.7% compared to the prior year, well below the long-term average. While GDP in France increased by 1.1% and in Spain even by 3.2%, economic output in Germany declined again (-0.2%). Industrial production in the eurozone, an important driver of freight demand, fell by 3.0% in 2024 compared to the prior year.

In Japan, GDP was almost unchanged in 2024 (+0.1%). The Chinese economy grew by 5.0%, stronger than expected. Strong private consumption and a sharp increase in investment led to economic growth of around 3.0% in Brazil.

In this environment, exchange rates were volatile. The exchange rate of the US dollar against the euro ranged between 1.03 and 1.12 during the year. At year-end, the euro was 6% weaker than at the end of 2023. The Japanese yen fluctuated against the euro between 155 and 175. By the end of the year, the euro appreciated by more than 4%. The euro gained around 20% against the Brazilian real.

The commercial vehicle market

The major truck markets declined as expected. In North America, the market for heavy duty trucks (Class 8) fell by 7% to 308 thousand units. Registrations of heavy duty trucks in the EU30 region (European Union, United Kingdom, Switzerland and Norway) also decreased. The market volume fell by 8% to 315 thousand units in the reporting year. The Brazilian market for heavy duty trucks recovered significantly, growing by 19% compared to the prior year. In Japan, the market volume for heavy duty trucks rose by 11%, while in China the market fell by 3%

In contrast, key sales markets for heavy buses performed well in the reporting year. Although the market volume in the EU30 region was still below the pre-pandemic level, it recorded growth of 4% compared to the prior year. The Brazilian heavy bus market continued its upward trend in 2024, increasing by 10%.

Business development

Unit sales significantly below that of the prior year
In 2024 Daimler Truck Group (hereinafter also referred to as “Daimler Truck” or “Group”) sold 460,409 (2023: 526,053) vehicles worldwide. The share of zero-emission vehicles has increased significantly to 4,035 (2023: 3,443) units. The unit sales performance is shown in table ↗ **B.03** and is explained below at segment level.

The **Trucks North America** segment recorded a slight decline in unit sales in 2024 with 190,428 (2023: 195,014) vehicles. In a declining market environment, the segment was able to increase unit sales in the vocational market, the area of construction and special vehicles, by expanding the product portfolio and thus cushioning the overall decline in unit sales. We recorded a slight decline in unit sales in the USA with 156,187 units (-4%) and in Canada with 15,608 units (-5%) compared to the prior year. In contrast, unit sales in Mexico increased significantly by 26% to 17,461 units.

In 2024, the **Mercedes-Benz Trucks** segment recorded a significant decline in unit sales with 126,477 (2023: 158,511) vehicles. Unit sales in the EU30 region fell significantly by 35% to 60,767 units, particularly due to weak market developments in core markets. In contrast, unit sales in Brazil, our main market in Latin America, increased significantly by 55% to 27,054 units. This unit sales development is mainly due to a recovery following the introduction of the Euro VI emission standard in 2023.

Unit sales in the **Trucks Asia** segment fell significantly to 125,234 (2023: 161,171) vehicles. The unit sales development resulted mainly from weaker market demand in India, Indonesia and other Asian markets. Compared to the prior year, we recorded a significant decline in unit sales in India with 21,434 units (-16%) and in Japan with 34,197 units (-12%). The significant decline in unit sales in Indonesia to 22,584 units (-36%) was related to the declining market development due to the presidential elections.

Unit sales from our Chinese joint venture Beijing Foton Daimler Automotive Co., Ltd. (BFDA), to which trucks of the brand Auman contribute, fell significantly to 56,648 units (2023: 70,078). The unit sales development was mainly due to the continuing challenging market environment in China.

Unit sales in the **Daimler Buses** segment in 2024 were at the previous year's level at 26,646 units (+2%). In North America, unit sales increased significantly by 11% to 4,241 units, particularly due to the positive development in Mexico. Unit sales in the EU30 region remained at the previous year's level at 7,820 units and in Brazil, our main market in Latin America, at 9,488 units.

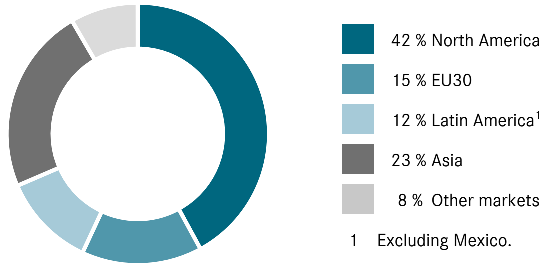
In the 2024 reporting year, the **Financial Services** segment leased or financed more than one in five new vehicles from the Daimler Truck Group in 16 markets. At the end of 2024, the segment had a total contract volume of €32.2 billion (+14%). On the one hand, this growth was attributable to strong operating business in North America. On the other hand, growth was characterized by the ramp-up of operating business in Germany. Adjusted for exchange rates, this corresponded to growth of 15%. During the course of the year, Financial Services concluded new financing and leasing contracts worldwide worth a total of €11.4 billion (+1%).

B.03
Unit sales[1]

	2024	2023	% change
Daimler Truck Group	**460,409**	526,053	-12
of which zero-emission vehicles	**4,035**	3,443	+17
Trucks North America	**190,428**	195,014	-2
Mercedes-Benz Trucks	**126,477**	158,511	-20
Trucks Asia	**125,234**	161,171	-22
Daimler Buses	**26,646**	26,168	+2

1 The total of the segments does not correspond to unit sales at Group level due to eliminations between the segments.

B.04
Unit sales structure of Daimler Truck



1 Excluding Mexico.

B.05
Market shares[1]

in %	2024	2023	2024/2023 Change in percentage points
Trucks North America			
North America[2] Class 8	**39.8**	39.1	+0.8
North America[2] Class 6-7	**34.1**	34.8	-0.7
North America[2] Class 6-8	**38.0**	37.8	+0.2
Mercedes-Benz Trucks			
EU30[3] HDT	**16.9**	19.0	-2.1
EU30[3] MDT	**24.6**	25.3	-0.7
EU30[3] HDT/MDT	**17.8**	19.6	-1.9

1 Based on information from registration authorities of the regions and on estimates in individual markets.
2 United States, Canada and Mexico.
3 European Union, United Kingdom, Switzerland and Norway.

Order book
The vehicle segments produce both vehicles preconfigured by the manufacturer and vehicles equipped to order in accordance with customers' requirements. In this context, we flexibly adjust capacities for individual models to changing demand.

Incoming orders declined slightly in the 2024 financial year compared to the prior year level, particularly due to declining demand in the EU30 region and in Asian markets. In contrast, there was a positive development overall and in the Mercedes-Benz Trucks and Trucks Asia segments in fourth quarter of 2024 compared to the same quarter of the previous year.

Investment and research activities

Investments in property, plant and equipment
Investments in property, plant and equipment at the Daimler Truck Group amounted to €1,417 million for 2024 and were therefore significantly higher than in the prior year (2023: €1,026 million).

All segments focused on transformation. Investments were made primarily in new technologies (for example zero-emission vehicles and digitalization), in the ongoing development of existing products as well as in the expansion of sales and spare parts centers.

Investments in property, plant and equipment in the **Trucks North America** segment amounted to €363 million and were significantly higher than in the prior year (2023: €235 million). These were mainly related to preparations for volume growth in zero-emission vehicles and capacity increases.

In the **Mercedes-Benz Trucks** segment, investments were made in preparing of the production of new products, primarily the eActros 600. In addition, as a consequence of the spin-off from Mercedes-Benz Group AG, the segment has invested in the construction of a new logistics center and in the infrastructure for the global supply of spare parts. In total, investments in property, plant and equipment amounted to €779 million by the end of 2024 and were therefore significantly higher than in the prior year (2023: €533 million).

Investments in property, plant and equipment in the **Trucks Asia** segment amounted to €139 million in 2024 and were therefore slightly higher than in the prior year (2023: €128 million), largely influenced by investments in e-mobility, digitalization and new technologies as well as the expansion and improvement of infrastructure. These investments supported the transformation to new technologies, establishment of a sustainable and competitive product portfolio and increased market share.

At €125 million, investments in property, plant and equipment in the **Daimler Buses** segment were slightly higher than in the prior year (2023: €115 million). The focus in 2024 was the expansion of the locations in Holysov (Czech Republic), Hosdere (Türkiye) and Ligny (France).

Research and development
In terms of expenditure on research and development (including capitalization), Daimler Truck is maintaining its strategic goals and investing in transformation as a priority. In 2024, the focus was on zero-emission vehicles and automated driving. For example, the development of autonomous driving was advanced to increase customer value, since automated driving can offer a higher level of safety and efficiency potential as well as counteract the growing driver shortage. In addition, investments were made in fuel efficiency and improving the existing product portfolio. Research and development expenditure amounted to €2,070 million (including capitalization) and was therefore slightly higher than in the prior year (2023: €1,965 million).

Of the development expenditure, €398 million was capitalized (2023: €208 million), equivalent to a capitalization rate of 19% (2023: 11%). Amortization of capitalized development costs amounted to €79 million in the year under review (2023: €94 million).

Expenditure on research and development in the **Trucks North America** segment amounted to €721 million, and are slightly higher than in the prior year (2023: €663 million). They are mainly driven by investments in the development of zero-emission vehicles and in improving fuel efficiency and the performance of existing products.

In 2024, research and development expenditure in the **Mercedes-Benz Trucks** segment continued to focus on the development of battery- and hydrogen-powered vehicles. In parallel, the conventional powertrain was adapted to future emission standards. Additional investments were made in the driver's cab for further optimization and for future regulatory requirements. The expenditures amounted to €784 million, therefore on prior year's level (2023: €801 million).

The research and development expenditure of the **Trucks Asia** segment of €157 million was slightly below the prior year's level (2023: €179 million). The focus was on the development of all-electric vehicles and digital services as well as the further development of the existing portfolio.

In the **Daimler Buses** segment, €193 million was invested in research and development in 2024 (2023: €172 million). Expenditure was therefore slightly above prior year's level. In 2024 the shift towards CO_2e-free drive systems for integral busses and chassis continued. Investments were also made in preparing the coach portfolio to meet the Euro VII emission standard.

Profitability, Liquidity and Capital Resources, Financial Position

In order to obtain a better insight into the profitability, liquidity and capital resources, and financial position, the condensed consolidated statement of income, condensed consolidated statement of cash flows, and condensed consolidated statement of financial position are presented, in addition to the Daimler Truck Group, for the Industrial Business and for Financial Services. The Industrial Business and Financial Services columns represent a business perspective. The Industrial Business comprises the vehicle segments Trucks North America, Mercedes-Benz Trucks, Trucks Asia and Daimler Buses, and the reconciliation. Financial Services corresponds to the Financial Services segment. The eliminations of intra-Group transactions between the Industrial Business and Financial Services are generally allocated to the Industrial Business and are reported in the reconciliation.

The following information explains the changes in the reporting year compared to the prior year and takes into account all effects that are significant from the Daimler Truck Group perspective.

The definition of the sensitivities for the qualitative-comparative description of changes in key figures (“on”, “slightly” and “significantly” above or below the prior-year level) can be found in chapter Performance measurement system of the combined management report.

Due to rounding, individual figures may not add up precisely to the totals shown and percentages presented may not accurately reflect the absolute values to which they relate.

Further information on profitability, liquidity and financial position of the Group is provided in the Consolidated Statement of Income ↗ **C.01**, the Consolidated Statement of Comprehensive Income ↗ **C.02**, the Consolidated Statement of Financial Position ↗ **C.03**, the Consolidated Statement of Cash Flows ↗ **C.04**, the Consolidated Statement of Changes in Equity ↗ **C.05** and the relevant explanations in the Notes to the Consolidated Financial Statements.

Profitability

Statement of income of the Daimler Truck Group
The Daimler Truck Group's **revenue** in 2024 was at €54.1 billion, around 3% slightly below the prior year level of €55.9 billion. In the Industrial Business, revenue fell slightly by 5% to €50.7 billion (2023: €53.2 billion). The decline in revenue was mainly due to a decline in unit sales and negative exchange rate effects, particularly the conversion of Japanese yen and Brazilian real. Adjusted for exchange rate effects, the Group's revenue decreased by 1%. Improved net pricing in the automotive segments had an offsetting effect on revenue. ↗ B.06

B.06
Revenue by segment and region

In millions of euros	2024	2023	24/23 % change
Daimler Truck Group	**54,077**	55,890	-3
of which Industrial Business	**50,743**	53,216	-5
Segments			
Trucks North America	**23,781**	23,492	+1
Mercedes-Benz Trucks	**19,095**	21,638	-12
Trucks Asia	**6,111**	7,060	-13
Daimler Buses	**5,247**	4,566	+15
Financial Services	**3,334**	2,674	+25
Reconciliation	**-3,491**	-3,541	-1
Regions			
Europe	**16,237**	18,426	-12
of which Germany	**6,116**	6,845	-11
North America	**25,566**	24,613	+4
of which United States	**20,419**	20,056	+2
Asia	**6,050**	7,172	-16
of which Japan	**3,291**	3,400	-3
Latin America[1]	**4,249**	3,521	+21
Other markets	**1,975**	2,158	-8

1 Excluding Mexico.

Cost of sales amounted to €42.9 billion in the reporting year and decreased by 2 % compared to the prior year. The decline in the cost of sales was mainly due to the change in unit sales and exchange rate effects. This was offset by higher manufacturing costs per unit, particularly due to the inflation-related increase in costs. ↗ B.07

Overall, **gross profit** decreased slightly to €11.2 billion (2023: €11.9 billion) and in relation to revenue from 21.3% to 20.7%. ↗ B.07

At €3.0 billion, **selling expenses** were at the same level as the previous year. In the reporting year, a special item of €169 million was taken into account from the impairment of trade receivables, which arose as a result of the ongoing discussions with our partner on the China business. The ratio of selling expenses to revenue increased from 5.2% to 5.6%. ↗ B.07

In the past financial year, **general administrative costs** increased slightly from €2.4 billion to €2.6 billion. The ratio of general administrative costs to revenue rose from 4.3% to 4.8%. ↗ B.07

At €1.7 billion, **research and non-capitalized development costs** in the 2024 financial year were slightly below the prior-year level (2023: €1.8 billion). The decline is mainly due to a higher capitalization rate of development expenditure. Further information on this can be found in the "Investment and research activities" section of the chapter Economic Conditions and Business Development in the combined management report. ↗ B.07

Other operating income was significantly below the prior-year level at €279 million (2023: €563 million). The decline was mainly due to other expenses, which also include provisions for liability and litigation risks as well as regulatory proceedings. In addition, there was a special item in the reporting year from the impairment of other financial assets in the amount of €32 million due to the ongoing discussions with our partner on the China business. ↗ B.07

In 2024, **result from equity-method investments, net**, was minus €603 million (2023: minus €109 million), significantly below that of the previous year's level. The negative earnings contribution of the joint venture cellcentric GmbH & Co. KG (cellcentric) increased to minus €404 million (2023: minus €50 million) and includes a non-cash impairment of minus €281 million. This special item is related to the delayed development of the infrastructure for green hydrogen in the core regions of Europe and the USA, as well as the current uncertainty regarding the framework conditions in the USA. Daimler Truck remains convinced that hydrogen-powered vehicles are an essential part of the CO_2e-neutral transport of the future to achieve the European fleet targets. In addition, the at-equity result was material influenced by Beijing Foton Daimler Automotive Co., Ltd. (BFDA) with minus €178 million (2023: minus €66 million), which includes a special item of minus €120 million from the full non-cash impairment of the carrying amount resulting from the negative effects of the current market and economic situation in China. ↗ B.07

The **other financial income/expense, net** improved to minus €19 million (2023: minus €132 million), mainly due to exchange rate gains from foreign exchange valuation and lower expenses from equity instruments. ↗ B.07

Earnings before interest and taxes (EBIT) of €3.6 billion in the 2024 financial year were significantly below that of the previous year's figure of €5.2 billion, mainly due to the lower unit sales volume and the special items described above. ↗ B.07

Adjusted EBIT was €4.7 billion (2023: €5.5 billion). The reconciliation from EBIT to adjusted EBIT is shown in table ↗ B.09.

Interest income/expense, net rose from €144 million to €210 million. ↗ B.07

The tax expense reported under **income taxes** decreased from €1,355 million to €736 million. The lower effective tax rate of 19.4% in the 2024 financial year (2023: 25.4%) resulted from higher tax income from previously unrecognized deferred tax assets. ↗ B.07

B.07

Condensed Consolidated Statement of Income

	Daimler Truck Group		Industrial Business		Financial Services	
	2024	2023	**2024**	2023	**2024**	2023
In millions of euros						
Revenue	**54,077**	55,890	**50,743**	53,216	**3,334**	2,674
Cost of sales	**-42,879**	-43,968	**-40,003**	-41,824	**-2,876**	-2,144
Gross profit	**11,198**	11,922	**10,740**	11,392	**459**	530
Selling expenses	**-3,009**	-2,890	**-2,866**	-2,760	**-144**	-130
General administrative expenses	**-2,582**	-2,413	**-2,359**	-2,195	**-223**	-218
Research and non-capitalized development costs	**-1,671**	-1,757	**-1,671**	-1,757	**–**	–
Other operating income/expense	**279**	563	**264**	557	**16**	6
Profit/loss on equity-method investments, net	**-603**	-109	**-604**	-109	**1**	–
Other financial income/expense, net	**-19**	-132	**-16**	-131	**-3**	-1
EBIT	**3,592**	5,183	**3,487**	4,997	**106**	186
Interest income/expense, net	**210**	144	**212**	146	**-2**	-2
Profit before income taxes	**3,802**	5,327	**3,699**	5,143	**103**	184
Income taxes	**-736**	-1,355	**-696**	-1,304	**-41**	-51
Net profit	**3,066**	3,971	**3,003**	3,839	**63**	133
thereof attributable to non-controlling interests	**166**	196				
thereof attributable to the shareholders of Daimler Truck Holding AG	**2,899**	3,775				
Earnings per share (in euros) based on profit attributable to the shareholders of Daimler Truck Holding AG						
Basic and diluted	**3.64**	4.62				

The Group's **net profit** of €3.1 billion was significantly below the previous year's result (2023: €4.0 billion). Of the net profit, €166 million was attributable to **non-controlling interests** (2023: €196 million).

The share of **net profit attributable to shareholders of Daimler Truck Holding AG** amounted to €2.9 billion (2023: €3.8 billion). **Earnings per share** amounted to €3.64 (2023: €4.62). ↗ **B.07**

The calculation of earnings per share (basic) is based on an average number of outstanding shares of 796 million (2023: 818 million).

Table ↗ **B.07** shows the Condensed Consolidated Statement of Income of the Daimler Truck Group as well as of the Industrial Business and Financial Services for the reporting year 2024 and for the prior year.

Table ↗ **B.08** shows the composition of EBIT for the Industrial Business in the financial year 2024.

Further information on the individual items of the Consolidated Statement of Income is provided in Notes 4 ff to the Consolidated Financial Statements.

Revenue and EBIT of the segments

Trucks North America's revenue increased by 1% to €23,781 million in the 2024 financial year mainly due to improved net pricing and an increased share of unit sales in the more attractive vocational market, the construction and special vehicles sector. This was offset by a slight decline in unit sales.

Gross profit was positively influenced by improved net pricing. This was offset by higher material costs, effects from exchange rates and the slight decline in unit sales. In total, gross profit increased from 19.5% to 19.8%. The adjustments included expenses for restructuring measures of €30 million (2023: €0 million) and expenses in connection with the spin-off from Mercedes-Benz Group AG of €23 million (2023: €0 million, M&A-related matters).

EBIT amounted to €3,008 million (2023: €2,887 million), adjusted EBIT to €3,060 million (2023: €2,887 million). The adjusted return on sales was at 12.9% (2023: 12.3%). ↗ **B.08** ↗ **B.09**

The revenue of the **Mercedes-Benz Trucks** segment decreased significantly by 12% to €19,095 million in the 2024 financial year, mainly due to the significantly lower unit sales volume.

The reduced unit sales and the underutilization of production had a negative impact on the gross profit. Improved net pricing and positive exchange rate effects had an offsetting effect. Gross profit fell from 22.6% to 21.6%. The adjustments included expenses in connection with the spin-off from Mercedes-Benz Group AG of €198 million (2023: €144 million, M&A-related matters), impairments in connection with the China business €148 million (2023: €0 million, M&A-related matters) and expenses for restructuring measures of €4 million (2023: €16 million).

EBIT amounted to €1,082 million (2023: €2,038 million), adjusted EBIT to €1,433 million (2023: €2,199 million). At 7.5%, the adjusted return on sales of was significantly below the previous year's value of 10.2%. ↗ **B.08** ↗ **B.09**

The revenue of **Trucks Asia** decreased significantly to €6,111 million (2023: €7,060 million) in the 2024 financial year, mainly due to the significant decline in unit sales and negative exchange rate effects.

The gross profit was negatively affected by the significant decline in unit sales, effects from exchange rates and effects from the sales mix. This was offset by improved net pricing and a positive development in the aftersales business. Gross profit fell in total from 18.8% to 18.5%. The adjustments included expenses in connection with the China business of €41 million (2023: €0 million, M&A-related matters) as well as expenses related to the spin-off from Mercedes-Benz Group AG of €12 million (2023: €0 million, M&A-related matters). The special item from the complete non-cash impairment of the carrying amount of BFDA in the amount of minus €120 million is not included in the adjustments.

EBIT amounted to €53 million (2023: €330 million), adjusted EBIT to €106 million (2023: €330 million). At 1.7%, the adjusted return on sales was below the previous year's value of 4.7%.
↗ B.08 ↗ B.09

The revenue of **Daimler Buses** increased significantly by 15% to €5,247 million in the 2024 financial year, mainly due to improved net pricing and positive effects from the sales mix.

The improved net pricing, the sales mix and exchange rate effects had a positive impact on the gross profit. This was offset by inflation-related increase in costs, particularly manufacturing and personnel costs. Gross profit therefore increased from 15.8 % to 18.7 %. The adjustments included expenses in connection with the spin-off from Mercedes-Benz Group AG of €7 million (2023: €0 million, M&A-related matters).

EBIT amounted to €427 million (2023: €214 million) and adjusted EBIT amounted to €434 million (2023: €214 million). The adjusted return on sales of 8.3% was significantly above than the adjusted previous year's value of 4.7%. ↗ B.08 ↗ B.09

Financial Services revenue increased significantly by 25% to €3,334 million in the 2024 financial year, primarily due to higher contract volumes and an increase in the interest margin in North America and Europe compared to the prior year.

The positive interest margin development and the increased portfolio led to a significantly increased share of operating profit from the leasing and financing business, while risk costs in North America rose sharply. Overall, the gross profit fell from 19.8% to 13.8%.

The 2024 adjustments included expenses related to a transformation and restructuring program in North America amounting to €22 million (2023: €0 million) as well as expenses related to the spin-off from Mercedes-Benz Group AG to €5 million (2023: €25 million, M&A-related matters).

EBIT amounted to €106 million (2023: €186 million).
Adjusted EBIT was €133 million, significantly below the prior year level (2023: €211 million). The resulting return on equity amounts to 3.9% (2023: 8.0%) and the corresponding adjusted return on equity to 5.0% (2023: 9.1%). ↗ B.07 ↗ B.09

B.08

EBIT of the Industrial Business

In millions of euros	Industrial Business 2024	Industrial Business 2023	Trucks North America 2024	Trucks North America 2023	Mercedes-Benz Trucks 2024	Mercedes-Benz Trucks 2023	Trucks Asia[1] 2024	Trucks Asia[1] 2023	Daimler Buses 2024	Daimler Buses 2023	Reconciliation 2024	Reconciliation 2023
Revenue	50,743	53,216	23,781	23,492	19,095	21,638	6,111	7,060	5,247	4,566	-3,491	-3,541
Cost of sales	-40,003	-41,824	-19,082	-18,922	-14,976	-16,750	-4,979	-5,732	-4,267	-3,846	3,301	3,426
Gross profit	10,740	11,392	4,699	4,570	4,119	4,888	1,132	1,329	980	721	-190	-115
Selling expenses	-2,866	-2,760	-406	-420	-1,750	-1,590	-560	-615	-285	-263	135	128
General administrative expenses	-2,359	-2,195	-760	-750	-1,257	-1,045	-271	-292	-206	-198	135	90
Research and non-capitalized development costs	-1,671	-1,757	-637	-639	-581	-702	-152	-160	-174	-166	-126	-90
Other income/ expense	-357	312	112	126	551	482	-95	69	112	120	-1,037	-484
EBIT	3,487	4,997	3,008	2,887	1,082	2,038	53	330	427	214	-1,084	-471

1 The segment result was significantly impacted by a special item of minus €120 million from the full impairment of the equity-investment carrying amount of Beijing Foton Daimler Automotive Co., Ltd. (BFDA) in the second quarter of 2024.

The **reconciliation** of the operating segments' EBIT to Group EBIT comprises gains and losses at the corporate level as well as the effect on earnings of eliminating intra-Group transactions between the segments.

Items at the corporate level resulted in expenses of €1,003 million in the 2024 financial year (2023: €448 million). The adjustments for M&A-related matters amounting to €433 million (2023: €120 million) included expenses in connection with the impairment of the at-equity carrying amount of cellcentric amounting to €281 million, expenses related to the spin-off from Mercedes-Benz Group AG and expenses due to the intended merger of Mitsubishi Fuso Truck & Bus Corporation and Hino Motors. In addition, the adjustments included expenses related to legal proceedings (and related measures) of €152 million (2023: €0 million). ↗ B.09

The elimination of intra-Group transactions resulted in an expense in the 2024 financial year of €81 million (2023: €23 million).

B.09

Reconciliation of EBIT to adjusted EBIT[1]

	Trucks North America	Mercedes-Benz Trucks	Trucks Asia[3]	Daimler Buses	Financial Services	Reconciliation	Daimler Truck Group
In millions of euros							
2024							
EBIT	3,008	1,082	53	427	106	-1,084	3,592
Legal proceedings (and related measures)	–	–	–	–	–	152	152
Restructuring measures	30	4	–	–	22	–	55
M&A-related matters	23	346	53	7	5	433	867
Adjusted EBIT	3,060	1,433	106	434	133	-499	4,667
Return on sales/equity (in %)	12.6	5.7	0.9	8.1	3.9	–	–
Adjusted return on sales/equity (in %)[2]	12.9	7.5	1.7	8.3	5.0	–	–
2023							
EBIT	2,887	2,038	330	214	186	-471	5,183
Legal proceedings (and related measures)	–	–	–	–	–	–	–
Restructuring measures	–	16	–	–	–	–	16
M&A-related matters	–	144	–	–	25	120	290
Adjusted EBIT	2,887	2,199	330	214	211	-351	5,489
Return on sales/equity (in %)	12.3	9.4	4.7	4.7	8.0	–	–
Adjusted return on sales/equity (in %)[2]	12.3	10.2	4.7	4.7	9.1	–	–

1 The details of the respective EBIT adjustments per segment and category are described in the text of this chapter.
2 The adjusted return on sales of the vehicle segments is calculated as the ratio of adjusted EBIT to revenue. The adjusted return on equity of Financial Services is determined as the ratio of adjusted EBIT to the average quarterly equity.
3 The segment result was significantly impacted by a special item of minus €120 million from the full impairment of the equity-investment carrying amount of Beijing Foton Daimler Automotive Co., Ltd. (BFDA) in the second quarter of 2024.

Return on capital employed of the Industrial Business 2024

The profitability of the capital employed in the Industrial Business is assessed by means of return on capital employed. Detailed explanations of this and other key figures of our performance measurement system can be found in chapter Performance measurement system of the combined management report.

The return on capital employed of the Industrial Business was 31.1% in 2024 (2023: 44.6%). The significant decline compared to the prior year was due to the significantly lower EBIT.

The composition of the return on capital employed of the Industrial Business is presented in table. ↗ B.10

B.10

Return on capital employed of the Industrial Business

	2024	2023	% change
In millions of euros			
EBIT	3,487	4,997	-30
Intangible assets	3,156	2,826	+12
Property, plant and equipment	8,356	7,910	+6
Inventories	8,899	9,023	-1
Trade receivables	3,770	4,961	-24
Other assets	4,826	6,223	-22
Operating assets[1]	29,007	30,944	-6
Trade payables	-4,529	-4,964	-9
Other liabilities	-14,383	-14,860	-3
Operating liabilities[1]	-18,912	-19,824	-5
Operating net assets[1]	10,095	11,121	-9
Average operating net assets	11,198	11,198	+0
Return on capital employed (in %)	31.1	44.6	–

1 The operating net assets are calculated on the basis of the values at the end of each quarter. Liquidity as well as income taxes and pensions are not included in the calculation of the operating net assets.

Liquidity and capital resources

Principles and objectives of financial management

Financial management at the Daimler Truck Group comprises capital structure management, cash and liquidity management, the management of market price risks (currencies, interest rates, commodity prices) as well as the management of pension assets and credit-default and country risks. Global financial management is carried out uniformly by the Treasury organization of the Daimler Truck Group within the framework of the legal provisions for all Group companies. It operates within a predefined framework of guidelines, limits and benchmarks; organizationally, it is separate at the operational level from the settlement, financial controlling, reporting and accounting functions.

Capital structure management arranges the capital structure of Daimler Truck Holding AG and its subsidiaries. The capital resources of the financial services, production, sales or financing companies of Daimler Truck are allocated in accordance with the principles of cost- and risk-optimized financial and capital resources.

Liquidity management is intended to ensure that the Group is always able to meet its payment obligations. To this end, the Group plans the cash flows from operating activities and from financial transactions on a rolling basis. Financing requirements are met by means of suitable liquidity management instruments (for example bank loans, bonds); the Group invests surplus liquidity in the money and/or capital market, taking expected returns and risks into account. Factoring is regularly used to a limited extent to manage liquidity.

Our goal is to provide the liquidity that is deemed to be necessary at the best possible cost. In addition to operating liquidity, the Daimler Truck Group has further liquidity reserves that are available at short notice. The components of these additional resources are receivables from the financial services business that can be securitized on the capital market and a contractually committed syndicated credit facility (“revolving credit facility”).

Cash management determines cash requirements and surpluses on a centralized basis. In this context, liquidity is concentrated centrally in bank accounts of the Daimler Truck Group via cash pooling procedures in various currencies. Most payments between Group companies are made via internal clearing accounts, so that the number of external payment flows is kept to a minimum. The Daimler Truck Group has established standardized processes and systems to manage its bank and internal clearing accounts and to carry out automated payment transactions.

Market price risk management aims to limit the impact of fluctuations in currency exchange rates, interest rates and commodity prices on the earnings of the segments and the Group. To this end, the Group-wide risk volume (“exposure”) for these market price risks is first determined. For currencies, net exposure constitutes the relevant risk volume, which is reduced by netting foreign currency items among the Group companies. The Group then makes its hedging decisions on this basis. This includes the volume to be hedged, the period to be hedged, and the choice of hedging instruments. The hedging strategy is defined at Group level and implemented uniformly. Decision-making bodies are internal committees for market price risks that meet regularly.

The **management of pension assets** (“plan assets”) includes investing the assets held to cover the pension obligations. The plan assets are legally separate from corporate assets and are mainly invested in funds; they are not available for general corporate purposes. On the basis of the expected development of the pension obligations, the plan assets are spread across various asset categories, for example equities, fixed-income securities, alternative investments and real estate, with the assistance of risk/return optimization. The Group measures the performance of its asset investments on the basis of defined reference indices. The risks of capital investments are limited by means of a Group-wide guideline. In addition, local regulations are in place for the risk management of individual plan assets. Additional information on pension plans and similar obligations is provided in Note 22. Pensions and similar obligations of the Notes to the Consolidated Financial Statements.

The risk volume considered in the **management of credit default risks** includes all creditor positions of the Daimler Truck Group worldwide vis-à-vis financial institutions, issuers of securities and customers in the Financial Services business and the Industrial Business. The credit risk vis-à-vis financial institutions and issuers of securities arises primarily from the investment of liquid funds in the context of liquidity management and from the use of derivative financial instruments. The management of these credit risks is essentially based on an internal limit system that is geared to the creditworthiness of the financial institution or issuer. The credit risk vis-à-vis customers in the Industrial Business results from the relationship with authorized dealers and general distribution companies, other corporate customers and private customers. Credit risk management is based on a uniform risk management process. Depending on the identified risk, credit collateral is requested. Financial Services manages the credit risk with respect to end customers in its financial services business on the basis of a uniform risk management process. This process defines minimum requirements for the credit and leasing business and sets standards for credit processes and for the identification, measurement, and management of risks. Key elements for the management of credit risks are an appropriate credit assessment supported by statistical risk classification procedures, as well as a structured portfolio analysis and monitoring.

Country risk management includes several risk aspects: The risk from capital investments in subsidiaries and joint ventures, the risk from cross-border financing of Group companies in risk countries, and the risk from direct sales to customers in those countries. The Daimler Truck Group has an internal rating system in which all countries in which the Daimler Truck Group operates are classified into risk categories. Risks from cross-border receivables are partially covered by export credit insurance, letters of credit and bank guarantees in favor of the Daimler Truck Group. Furthermore, an internal committee determines and limits the amount of hard currency portfolios at Financial Services companies in risk countries.

Further information on the management of market price, credit default and liquidity risks is provided in Note 33. Management of financial risks.

Cash flow

Cash flow from operating activities ↗ B.11 in 2024 resulted in a cash inflow of €1.6 billion (2023: cash inflow €0.4 billion). Profit before income taxes was below the prior year mainly due to the lower unit sales volume and the special items in the result from equity-method investments.

Cash flow from operating activities was positively affected by working capital in 2024. This is mainly due to a reduction in trade receivables as a result of timing of the customer payments in 2024 and higher factoring activities at the end of the year. In addition, the inventory values were almost at the same level as in the previous year.

The decrease in trade payables resulted in particular from a lower purchasing volume at the end of the year.

These led to a positive change in working capital of €0.6 billion (2023: negative €1.3 billion). Working capital represents the sum of inventories, trade receivables and trade payables.

The increase in receivables from financial services, primarily due to new business in the Financial Services segment, had a negative effect on cash flows from operating activities.

The changes in other operating assets and liabilities include negative effects in particular from the decrease in personnel expense and social benefit provisions as well as liabilities from residual value guarantees.

B.11

Condensed Consolidated Statement of Cash Flows

	Daimler Truck Group		Industrial Business		Financial Services	
	2024	2023	**2024**	2023	**2024**	2023
In millions of euros						
Cash and cash equivalents at beginning of period	**7,067**	5,944	**6,722**	5,597	**345**	347
Profit before income taxes	**3,802**	5,327	**3,699**	5,143	**103**	184
Depreciation and amortization/impairments	**1,153**	1,133	**1,129**	1,115	**24**	18
Other non-cash expense and income and income from sale of assets	**637**	87	**599**	65	**39**	21
Change in operating assets and liabilities						
Inventories	**179**	-550	**161**	-455	**19**	-96
Trade receivables	**870**	-660	**1,203**	-787	**-333**	127
Trade payables	**-464**	-112	**-467**	-158	**3**	47
Receivables from financial services	**-2,770**	-4,097	**17**	-2	**-2,787**	-4,094
Vehicles on operating leases	**141**	-160	**1,063**	334	**-921**	-494
Other operating assets and liabilities	**-398**	816	**-580**	591	**183**	226
Dividends received from equity-method investments	**11**	16	**11**	16	**–**	–
Income taxes paid/refunded	**-1,607**	-1,415	**-1,567**	-1,413	**-41**	-1
Cash flows from operating activities	**1,555**	386	**5,268**	4,449	**-3,713**	-4,063
Additions to property, plant and equipment	**-1,417**	-1,026	**-1,407**	-1,010	**-10**	-15
Additions to intangible assets	**-459**	-280	**-446**	-268	**-13**	-12
Investments in shareholdings and proceeds from disposal of other shareholdings	**-325**	-206	**-325**	-194	**–**	-12
Acquisition and disposal of marketable debt securities and similar investments	**-308**	-618	**-303**	-618	**-5**	–
Other	**-44**	47	**-49**	50	**5**	-3
Cash flows from investing activities	**-2,552**	-2,082	**-2,529**	-2,040	**-23**	-42
Change in financing liabilities	**2,909**	4,654	**2,111**	2,598	**797**	2,056
Dividend paid to shareholders of Daimler Truck Holding AG	**-1,528**	-1,070	**-1,528**	-1,070	**–**	–
Dividends paid to non-controlling interests	**-128**	-97	**-128**	-97	**–**	–
Acquisition of treasury shares	**-850**	-557	**-850**	-557	**–**	–
Internal equity and financing transactions	**–**	–	**-2,788**	-2,051	**2,788**	2,051
Cash flows from financing activities	**403**	2,931	**-3,182**	-1,176	**3,585**	4,107
Effect of exchange-rate changes on cash and cash equivalents	**80**	-113	**84**	-109	**-5**	-4
Cash and cash equivalents at end of period	**6,553**	7,067	**6,363**	6,722	**190**	345

Cash flow from investing activities ↗ B.11 resulted in a cash outflow of €2.6 billion (2023: €2.1 billion). The cash outflows are generally due to the additions to property, plant and equipment and intangible assets, the acquisition and sale of mutual funds as well as the acquisition of shareholdings.

Cash flow from financing activities ↗ B.11 resulted in a cash inflow of €0.4 billion (2023: €2.9 billion) in the reporting period. The cash outflows were mainly due to dividend payments to the shareholders of Daimler Truck Holding AG amounting to €1.5 billion and share buyback program (including expenses for the implementation of the share buyback program) of €0.9 billion. In addition, cash inflows resulted primarily from raising funds on the international money and capital markets and from issuing Asset-Backed-Securities (ABS). The issuance of bonds took place mainly in the USA, Netherlands and Canada at a total value of €4.7 billion.

In 2024, cash and cash equivalents decreased by €0.5 billion after adjusting for exchange-rate effects.

Free cash flow of the Industrial Business

The measure used by Daimler Truck for the financial strength of its industrial activities is the **free cash flow of the Industrial Business** ↗ B.12. Detailed explanations of this and other key figures of our performance measurement system can be found in the chapter Performance measurement system of the Combined Management Report.

In 2024, the **free cash flow of the Industrial Business** amounted to €3.2 billion (2023: €2.8 billion).

The increase in free cash flow of the Industrial Business by €0.3 billion to €3.2 billion was mainly due to a significant improvement in working capital, which offset the lower profit.

The improvement in working capital was mainly due to the reduction in trade receivables attributable to timing of customer payments in 2024 and to a decrease related to a planned conversion of dealers in Latin America from floorplan financing to internal factoring. In addition, the Company was able to reduce inventories of finished goods and work in progress. This was offset by a reduction in trade payables due to a lower purchasing volume at the end of the year.

Factoring activities with external banks and financial institutions amounted to €160 million (2023: €25 million).

Investments in property, plant and equipment increased as planned aligned with the transformation of our industry. In addition, a financial investment of €179 million was made in the joint venture Amplify Cell Technologies LLC.

For a more transparent presentation of the ongoing business, we identify and report an **adjusted free cash flow of the Industrial Business** ↗ B.12. After adjusting for legal proceedings (and related measures), restructuring measures and M&A-related matters, adjusted free cash flow of the Industrial Business amounted to a cash inflow of €3.7 billion (2023: €3.3 billion).

B.12

Free Cash Flow of the Industrial Business

In millions of euros	2024	2023	24/23 Change
Cash flows from operating activities	5,268	4,449	+819
Cash flows from investing activities	-2,529	-2,040	-489
Change in marketable debt securities and similar investments	303	618	-314
Right-of-use assets	-121	-253	+132
Other adjustments	231	36	+195
Free cash flow of the industrial Business	**3,152**	**2,811**	**+341**
Legal proceedings (and related measures)	108	–	+108
Restructuring measures	16	177	-161
M&A-related matters	406	315	+91
Adjusted free cash flow of the industrial Business	**3,682**	**3,303**	**+379**

The reconciliation of cash flow before interest and tax (CFBIT) to the free cash flow of the Industrial Business is shown in table ↗ B.13.

B.13

Reconciliation of CFBIT to free cash flow of the Industrial Business

In millions of euros	2024	2023
CFBIT of the Industrial Business	4,358	3,972
Income taxes paid/refunded	-1,567	-1,413
Interest paid/received	293	289
Other reconciliation items	67	-37
Free cash flow of the Industrial Business	3,152	2,811

Table ↗ B.14 shows the composition of CFBIT for the Industrial Business. Table ↗ B.15 shows, for the Industrial Business, the reconciliation from CFBIT to **adjusted CFBIT** and the **adjusted cash conversion rate**.

An adjusted cash conversion rate of 1.1 was achieved for the Industrial Business of the Daimler Truck Group. This is above the previous year's value of 0.8. This is largely due to an improvement in working capital, supported by increased sales financing through Financial Services.

B.14

CFBIT of the Industrial Business

In millions of euros	2024	2023
EBIT	3,487	4,997
Change in working capital	897	-1,400
Net financial investments	-325	-189
Net investments in property, plant and equipment and intangible assets	-1,520	-1,480
Depreciation and amortization/impairments	1,129	1,115
Other	690	929
CFBIT	4,358	3,972

B.15

Reconciliation to adjusted CFBIT

In millions of euros	2024	2023
CFBIT	4,358	3,972
Legal proceedings (and related measures)	108	-
Restructuring measures	16	177
M&A-related matters	406	315
Adjusted CFBIT	4,888	4,464
Adjusted EBIT	4,534	5,278
Adjusted cash conversion rate[1]	1.1	0.8

1 The adjusted cash conversion rate is calculated as the ratio of adjusted CFBIT to adjusted EBIT.

Since December 31, 2023 the **net liquidity of the Industrial Business** ↗ B.16 increased by €0.2 billion to €8.6 billion. The increase was mainly due to the positive free cash flow of the Industrial Business of €3.2 billion. This was offset by the dividend paid to the shareholders of Daimler Truck Holding AG of €1.5 billion, the cash outflow of €0.9 billion resulting from the share buyback program (including expenses for the implementation of the share buyback program) as well as the equity injection into Financial Services amounting to €0.5 billion.

B.16

Net liquidity of the Industrial Business

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	24/23 Change
Cash and cash equivalents	6,363	6,722	-359
Marketable debt securities and similar investments	2,235	1,764	+471
Liquidity	8,598	8,487	+112
Financing receivables/ liabilities	271	204	+67
Market valuation and currency hedging for financing liabilities	-311	-369	+57
Financing receivables/liabilities (nominal)	-41	-165	+124
Net liquidity	8,558	8,322	+236

Net debt at the Group level, which mainly resulted from the refinancing of the leasing and sales financing business, increased by €2.9 billion to €20.1 billion compared to December 31, 2023. ↗ B.17

B.17

Net debt of the Daimler Truck Group

In millions of euros	Dec. 31, 2024	Dec. 31, 2023	24/23 Change
Cash and cash equivalents	6,553	7,067	-514
Marketable debt securities and similar investments	2,276	1,808	+468
Liquidity	8,829	8,875	-46
Financing liabilities	-28,666	-25,727	-2,939
Market valuation and currency hedges for financing liabilities	-312	-369	+57
Financing liabilities (nominal)	-28,977	-26,096	-2,882
Net debt	-20,149	-17,221	-2,928

Contingent liabilities and other financial obligations

As at December 31, 2024, the best estimate of **contingent liabilities** amounted to €0.6 billion (December 31, 2023: €0.6 billion). As part of its usual business activity, the Group has entered into **other financial obligations** of €1.5 billion (December 31, 2023: €1.0 billion), which exceeded the liabilities shown in the Consolidated Statement of Financial Position as at December 31, 2024.

At both December 31, 2024 and December 31, 2023, the Daimler Truck Group had issued irrevocable loan commitments that had not been utilized as of those dates.

In addition, there are other financial obligations arising from the post-divestment liability resulting from the spin-off and demerger in 2021.

Detailed information on contingent liabilities and other financial obligations can be found in Note 31. Contingent liabilities and other financial obligations of the Notes to the Consolidated Financial Statements.

Refinancing

The financing transactions carried out by Daimler Truck in 2024 were primarily for the acquisition and refinancing of the leasing and sales financing business. To this end, Daimler Truck made use of various financing instruments in different currencies and markets. These include bank loans, bonds with medium and long maturities in the capital market, and the securitization of customer receivables in the financial services business (asset-backed securities).

The majority of central banks have started a cycle of interest rate cuts in 2024, which has generally led to stable refinancing costs. In the reporting period, the Group covered its refinancing needs by issuing bonds and Asset-Backed-Securities (ABS) transactions. In the USA, Europe and Canada, this takes place in the form of so-called benchmark issues (bonds with a high nominal volume), shown in table ↗ **B.18**, by Daimler Truck Finance North America LLC, Daimler Truck International Finance B.V. and Daimler Truck Finance Canada Inc.

Another important source of refinancing in the 2024 financial year were **bank loans**, particularly for the Brazilian real, Mexican peso, Australian dollars, Euro, and Japanese yen currency areas. These loans were provided by global banks as well as by banks operating nationally. The lenders also included government financing institutions (such as the Brazilian Development Bank).

On March 26, 2024, Daimler Truck AG and other Group companies signed a new revolving credit line of €5.0 billion, which is provided by an international banking consortium. The credit line has a duration of five years with two extension options of one year each. At the same time, the revolving credit line of €5.0 billion that has been in place since August 2021 was terminated. Daimler Truck has no intention of utilizing the credit line.

B.18

Benchmark issuances

Issuer	Volume	Month of emission	Maturity
Daimler Truck Finance North America LLC	US$750 million	01.2024	01.2027
Daimler Truck Finance North America LLC	US$500 million	01.2024	01.2034
Daimler Truck Finance North America LLC	US$950 million	06.2024	09.2027
Daimler Truck Finance North America LLC	US$550 million	06.2024	09.2029
Daimler Truck Finance North America LLC	US$500 million	06.2024	06.2034
Daimler Truck Finance Canada Inc.	C$250 million	06.2024	09.2027
Daimler Truck Finance Canada Inc.	C$250 million	06.2024	09.2029
Daimler Truck International Finance B.V.	€650 million	09.2024	03.2028
Daimler Truck International Finance B.V.	€600 million	09.2024	09.2030

The carrying amounts of the main refinancing instruments as well as the weighted average interest rates are shown in table ↗ B.19. As at December 31, 2024, these are mainly related to the following currencies: 45% to the US dollar, 8% to the Brazilian real, 18% to the euro, and 8% to the Canadian dollar.

As at December 31, 2024, the total financing liabilities shown in the Consolidated Statement of Financial Position amounted to €28.7 billion (December 31, 2023: €25.7 billion).

Detailed information on the amounts and maturities of the main items of financing liabilities can be found in Note 24. Financing liabilities of the Notes to the Consolidated Financial Statements. Note 25. Other financial liabilities of the Notes to the Consolidated Financial Statements also provides information on the maturities of other financial liabilities.

B.19

Refinancing instruments

	Average interest rates		Carrying values	
	Dec. 31, 2024	Dec. 31, 2023	**Dec. 31, 2024**	Dec. 31, 2023
		in %		In millions of euros
Bonds	**5.04**	4.78	**17,161**	14,205
Liabilities from ABS transactions	**5.36**	5.93	**1,646**	1,990
Liabilities to financial institutions	**8.53**	8.42	**7,499**	7,270

Credit ratings

In 2024, Daimler Truck AG continued to receive a solid investment grade rating from the rating agencies S&P Global Ratings and Moody’s, as shown in table ↗ B.20.

On June 11, 2024, **S&P Global Ratings** raised Daimler Truck’s rating from BBB+ / A-2 to A- / A-2 (long-term and short-term). This reflects the agency's assessment that Daimler Truck has stable revenue, robust profitability and strong cash flow.

Moody’s A3 rating (long-term, Prime-2 short-term) for Daimler Truck reflects the considerable size of the Group as one of the world’s largest commercial vehicle manufacturers by revenue, its good diversification, and its leading positions in the American and European markets. Moody’s also pointed to the positive margin development, as well as Daimler Truck's conservative financial policy coupled with strong liquidity.

B.20

Credit ratings

	End of 2024
Long-term credit rating	
S&P	**A-**
Moody׳s	**A3**
Short-term credit rating	
S&P	**A-2**
Moody׳s	**P-2**

Financial position

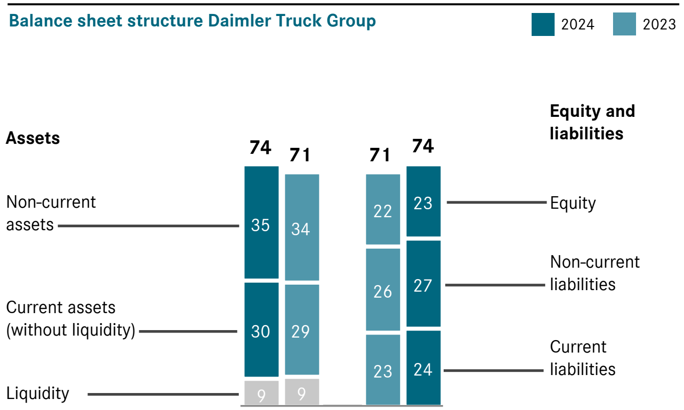
Compared with December 31, 2023, **total assets** increased from €71.2 billion to €73.9 billion. The increase included €0.2 billion in negative exchange rate effects; adjusted for these effects, the increase was €2.8 billion. Financial Services accounted for €33.5 billion of total assets (2023: €29.8 billion), corresponding to 45.4% of all assets in the Daimler Truck Group (2023: 41.9%).

At 52.1%, current assets as a proportion of the balance sheet total were similar to the prior year (December 31, 2023: 52.7%). At 32.0%, current liabilities as a proportion of the balance sheet total were similar to the prior year (December 31, 2023: 32.0%). Table ↗ **B.21** shows the balance sheet structure by maturity.

Table ↗ **B.22** shows the Condensed Statement of Financial Position of the Daimler Truck Group as well as the Industrial Business and Financial Services.

B.21

Balance sheet structure Daimler Truck Group



B.22

Condensed consolidated statement of financial position

	Daimler Truck Group		Industrial Business		Financial Services	
	At December 31,		At December 31,		At December 31,	
	2024	2023	**2024**	2023	**2024**	2023
In millions of euros						
Assets						
Intangible assets	**3,209**	2,876	**3,156**	2,826	**53**	50
Property, plant and equipment	**8,413**	7,979	**8,356**	7,910	**57**	69
Equipment on operating leases	**4,381**	4,530	**3,103**	3,645	**1,278**	885
Receivables from Financial Services	**28,893**	26,214	**-8**	–	**28,900**	26,214
Equity-method investments	**812**	1,051	**811**	1,051	**1**	–
Inventories	**9,012**	9,155	**8,899**	9,023	**113**	131
Trade receivables	**4,325**	5,262	**3,770**	4,961	**555**	301
Cash and cash equivalents	**6,553**	7,067	**6,363**	6,722	**190**	345
Marketable debt securities and similar investments	**2,276**	1,808	**2,235**	1,764	**41**	44
thereof current	**2,185**	1,751	**2,185**	1,751	**–**	–
thereof non-current	**91**	57	**50**	13	**41**	44
Other financial assets	**1,420**	1,501	**261**	607	**1,159**	894
Other assets	**4,560**	3,769	**3,363**	2,887	**1,197**	882
Total	**73,854**	71,212	**40,310**	41,397	**33,543**	29,815
Equity and liabilities						
Equity	**22,850**	22,224	**19,823**	19,761	**3,027**	2,462
Provisions	**6,667**	6,515	**6,507**	6,361	**160**	155
Financing liabilities	**28,666**	25,727	**-271**	-204	**28,937**	25,931
thereof current	**10,293**	8,602	**-5,708**	-6,311	**16,001**	14,913
thereof non-current	**18,373**	17,125	**5,437**	6,107	**12,936**	11,017
Trade payables	**4,629**	5,059	**4,529**	4,964	**99**	95
Other financial liabilities	**4,405**	4,684	**3,570**	3,900	**835**	783
Contract and refund liabilities	**4,326**	4,275	**4,324**	4,275	**2**	–
Other liabilities	**2,310**	2,728	**1,827**	2,339	**483**	389
Total	**73,854**	71,212	**40,310**	41,397	**33,543**	29,815

Intangible assets of €3.2 billion (December 31, 2023: €2.9 billion) included €0.7 billion of goodwill (December 31, 2023: €0.7 billion), €1.2 billion of capitalized development costs, which also include capitalized borrowing costs (December 31, 2023: €0.9 billion), €1.3 billion (December 31, 2023: €1.3 billion) of concessions, industrial property rights and similar rights (thereof €0.9 billion for the right to use the brand Mercedes-Benz for an indefinite period of time). The development costs capitalized in the year under review amount to €404 million (December 31, 2023: €209 million) and correspond to 19.5% (2023: 10.6%) of the Group's total research and development expenditure.

Property, plant and equipment (including right-of-use assets) of €8.4 billion were slightly above the prior year (December 31, 2023: €8.0 billion). Investments in property, plant and equipment increased from €1,026 million to €1,417 million. In our production and assembly sites, investments were made primarily in preparation for the production of zero-emission heavy-duty vehicles in order to support the transformation to electric vehicles. Other key areas were investments in plant improvement and ongoing development of the existing product portfolio as well as the expansion of our sales and spare parts centers. Investments in property, plant and equipment at the sites in Germany amounted to €666 million (2023: €439 million).

Equipment on operating leases and receivables from financial services increased in total to €33.3 billion (December 31, 2023: €30.7 billion); adjusted for currency translation, there was an increase of €2.6 billion. This is mainly due to new business. The share of total assets accounted for by the leasing and sales financing business was 45.1% and slightly above the prior year level (December 31, 2023: 43.2%).

Equity-method investments of €0.8 billion were below the prior year (December 31, 2023: €1.1 billion). The decrease resulted from the impairment of the at-equity carrying amount of the joint venture Beijing Foton Daimler Automotive Co., Ltd. (BFDA) due to the negative effects of the current market and economic situation in China. In addition, the carrying amount of the fuel-cell joint venture cellcentric GmbH & Co. KG (cellcentric) was impaired by €281 million due to the delayed development of the infrastructure for green hydrogen in the core regions of Europe and the USA as well as the current uncertainty regarding the general conditions in the USA. The capital contribution to Amplify Cell Technologies LLC (Amplify) had an opposing effect.

Inventories decreased slightly from €9.2 billion to €9.0 billion; the share of total assets is also slightly below that of the prior year at 12.2% (2023: 12.9%).

Trade receivables of €4.3 billion were below the figure for the prior year (December 31, 2023: €5.3 billion). The decrease was as a result of timing of the customer payments in 2024 as well as higher factoring activities at year-end.

Cash and cash equivalents decreased to €6.6 billion (December 31, 2023: €7.1 billion). The cash outflows resulted primarily from dividends paid to the shareholders of Daimler Truck Holding AG, the share buyback program, as well as from investing activities. This was offset by the positive cash inflows from operating activities and the net cash inflows resulting from bond issuances and repayments in the USA, Netherlands and Canada.

The **marketable debt securities and similar investments** with a carrying amount of €2.3 billion were significantly higher compared to the prior year (December 31, 2023: €1.8 billion). The increase is primarily attributable to the increase in money market funds, measured at fair value through profit or loss, as well as marketable debt securities and similar investments measured at amortized cost.

Other assets of €4.6 billion primarily comprise deferred taxes and tax refund claims (December 31, 2023: €3.8 billion). Among other things, the change is due to higher refund claims in connection with sales tax as well as due to an increase in the deferred tax assets.

The Group's **equity** increased compared to December 31, 2023 from €22.2 billion to €22.9 billion. The largest impact resulted from the Group's net profit of €3.1 billion; this was partly offset by negative effects coming mainly from dividend payments to the shareholders of Daimler Truck Holding AG of €1.5 billion, the purchase of 23,509,721 shares for €0.9 billion as part of the share buyback program (including expenses for the implementation of the share buyback program), and from currency translation of €0.2 billion. Equity attributable to the shareholders of Daimler Truck Holding AG increased accordingly to €22.2 billion (December 31, 2023: €21.6 billion).

Against the backdrop of the robust liquidity position, the Board of Management and Supervisory Board of Daimler Truck Holding AG decided on July 10, 2023 to implement a share buyback program. On this basis, own shares worth up to €2 billion (excluding incidental acquisition costs) will be acquired on the stock exchange over a period of up to 24 months commencing from August 02, 2023.

The shares will be acquired via the stock exchange in two tranches. In the first tranche, 31,083,593 treasury shares were acquired for a total amount of €1.0 billion between August 02, 2023 and August 30, 2024.

As part of the second tranche, treasury shares are to be acquired from September 17, 2024 to August 01, 2025 for a total amount of up to €968 million, but a maximum of 51,211,595 Daimler Truck shares. The acquisition of Daimler Truck shares as part of the second tranche is based on the authorization of the General Meeting on May 15, 2024. The repurchased shares are to be cancelled and the share capital reduced accordingly.

On November 05, 2024, the Board of Management of Daimler Truck Holding AG resolved to cancel 31,083,593 of treasury shares and to reduce the company's share capital accordingly by €31 million. Therefore, the share capital of Daimler Truck Holding AG after the cancellation amounts to €792 million (December 31, 2023: €823 million).

Further information on the share buyback program can be found in Note 20. Equity and in the notes to the consolidated financial statements and at www.daimlertruck.com/en/investors/share/share-buyback.

While total assets increased by 3.7%, equity increased by 2.8% compared to the prior year. The Group's **equity ratio** was similar to the prior year at 30.9% (December 31, 2023: 31.2%); the equity ratio for the Industrial Business was 49.2% (December 31, 2023: 47.7%).

Provisions of €6.7 billion are higher year-on-year (December 31, 2023: €6.5 billion); at 9.0%, their share of the balance sheet total is similar to the prior year (December 31, 2023: 9.1%). Provisions for pensions and similar obligations of €1.1 billion were similar to the prior year (December 31, 2023: €1.2 billion). The slight increase in the present value of pension obligations to €6.5 billion (December 31, 2023: €6.3 billion) was offset by the fair value of plan assets to fund these obligations of €5.9 billion (December 31, 2023: €5.7 billion).

Provisions also relate to obligations for product warranties of €2.5 billion (December 31, 2023: €2.2 billion), for personnel and social costs of €1.6 billion (December 31, 2023: €1.8 billion) for liability and litigation risks and regulatory proceedings of €1.0 billion (December 31, 2023: €0.9 billion), and other provisions of €0.4 billion (December 31, 2023: €0.4 billion).

Financing liabilities increased to €28.7 billion (December 31, 2023: €25.7 billion). The increase was mainly due to the issue of bonds on the international money and capital markets as well as commercial papers. The repayment of bonds had an opposite effect.

Of the financing liabilities, 59.9% relate to bonds, 26.2% to liabilities to banks, 5.7% to liabilities from ABS transactions, 3.6% to liabilities from lease agreements and 1.4% to loans and other financing liabilities.

Trade payables of €4.6 billion were below the prior year (December 31, 2023: €5.1 billion). The decrease in trade payables was due to a lower purchasing volume at the end of the year.

Further information on the recognized assets, equity and liabilities of the Group can be found in the Consolidated Statement of Financial Position ↗ **C.03**, the Consolidated Statement of Changes in Equity ↗ **C.05** and the relevant Notes to the Consolidated Financial Statements.

Overall assessment of the economic situation

The past financial year was characterized by relatively stable conditions, although growth in the eurozone and Japan was weaker. Inflation continued to normalize globally over the course of the year. Major central banks reduced key interest rates. Global geopolitical risks did not have any significant real economic effects in the past reporting year.

The 2024 financial year was progressively more challenging in the markets relevant for Daimler Truck, particularly in Asia and Europe. Despite this environment, the Company was able to achieve its outlook for unit sales, revenue and earnings at Group level, as well as in the Industrial Business, as updated in the Q2 2024 interim report. The adjusted return on sales of the Industrial Business reached a solid level of 8.9% (2023: 9.9%). Financial Services achieved an adjusted return on equity of 5.0% (2023: 9.1%) due to increased risk costs associated with the recession in the transport sector in America and credit defaults by individual customers.

A comparison of the key figures of the outlook provided with the actual development in the 2024 financial year as well as the outlook for the 2025 financial year is shown in table ↗ **B.97** of chapter Outlook.

Daimler Truck Holding AG

(Annual financial statements in accordance with the German Commercial Code (Handelsgesetzbuch or HGB))

In addition to the report on the Daimler Truck Group, the financial results of Daimler Truck Holding AG are presented here.

Daimler Truck Holding AG is the parent company of the Daimler Truck Group and has its headquarters in Stuttgart (Germany).

Daimler Truck Holding AG is structured as a management company in which the Board of Management is located and provides management services to the Group. The company has no employees of its own below the level of the Board of Management – apart from a few employees with dual employment contracts. The financing of the Daimler Truck Group is secured centrally by Daimler Truck AG and the other companies of the Group, where appropriate, in conjunction with guarantees provided by Daimler Truck Holding AG. Due to its position as the listed parent company of the Daimler Truck Group, Daimler Truck Holding AG is responsible for a wide range of tasks, particularly with regard to the external presentation of the Daimler Truck Group. These tasks include, in particular, external financial reporting and the fulfillment of other statutory disclosure requirements and tax requirements arising from the tax group. The Group-wide central functions are carried out at the level of Daimler Truck AG – which provides services to Daimler Truck Holding AG.

The Consolidated Financial Statements follow the International Financial Reporting Standards (IFRS) as applicable in the European Union (EU). This results in some accounting differences with regard to recognition and measurement. These primarily relate to management remuneration and the measurement of equity interests, receivables and liabilities, measurement of provisions, financial instruments and deferred taxes.

The annual financial statements of Daimler Truck Holding AG are prepared in accordance with accounting regulations under commercial law and the supplementary provisions under stock corporation law. Unless otherwise stated, the annual financial statements are presented in millions of euros (€) and compared with the values as of December 31, 2023.

The Statement of Income is prepared in accordance with the internationally prevailing cost of sales method. The comparative period for the Statement of Income is the prior financial year.

For Daimler Truck Holding AG as a management company, net profit represents the most significant performance indicator. For a qualitative-comparative description of changes in this key figure, the intervals defined below, rounded to one decimal place, are used. Net profit is considered to be at the prior year’s level if it is in a range of minus 5.0% to +5.0%. A change in a range between below minus 5.0% and minus 15.0% or between above +5.0% and +15.0%, is considered a slight decrease or a slight increase compared with the prior year. If the change is below minus 15.0% or above +15.0% compared with the prior year, this is classified as a significant decrease or a significant increase.

Profitability

The **profitability** of Daimler Truck Holding AG in the financial year was mainly influenced by the profit transfer arising from the control and profit and loss transfer agreement with Daimler Truck AG, which totaled €1,558 million (2023: €5,511 million).

General administrative expenses amounted to €68 million (2023: €73 million). This mainly included personnel expenses of €23 million (2023: €28 million) and other non-production-related external services amounting to €16 million (2023: €18 million). The decrease over the prior year was mainly due to lower costs for external services and lower personnel expenses.

Other operating income increased by €6 million to €23 million. This mainly arose from the onward charging of management services provided to Daimler Truck AG of €22 million. The main reason for the increase compared to the prior year was the increase in costs passed on.

Net interest income increased by €125 million to €170 million. Compared to the previous year, the increase is mainly due to higher interest income from interest on the cash pool balance.

Income taxes amounted to €40 million (2023: €238 million) and resulted mainly from the significant decrease in taxable operating income within the tax group.

The **net profit** of Daimler Truck Holding AG amounted to €1,643 million (2023: €5,262 million) and was therefore according to our expectations (as stated in the prior year's outlook report) of a significant decrease in net profit. For the 2024 financial year, the company reported a distributable profit of €2,338 million (2023: €5,554 million). A proposal will be made to the Annual General Meeting to distribute €1,486 million (€1.90 per no-par-value share entitled to dividend) to the shareholders from the 2024 distributable profit of Daimler Truck Holding AG and to carry forward the remaining distributable profit in the amount of €852 million.

The distribution amount stated takes into account the 781,773,636 no-par-value shares entitled to dividends existing on December 31, 2024. At this time, the company held 10,094,653 treasury shares, from which it has no rights pursuant to Section 71b German Stock Corporation Act (AktG). As the number of shares entitled to dividends will change by the date of the Annual General Meeting due to the ongoing share buyback program, a resolution proposal that is amended accordingly will be put to the vote at the Annual General Meeting. This resolution proposal will still provide for a dividend of €1.90 per no-par-value share entitled to dividends. The amount of the total dividend payout will be reduced according to the changed number of no-par-value shares entitled to dividends. The amount of the profit carried forward will be increased accordingly.

The **economic position** of Daimler Truck Holding AG in its function as a management company primarily depends on the performance of its subsidiaries. Daimler Truck Holding AG participates in the operating results of the subsidiaries through the profit transfer of Daimler Truck AG. This means that the economic situation of Daimler Truck Holding AG corresponds to that of the Group as a whole, which is illustrated in the chapter Profitability, Liquidity and Capital Resources, and Financial Position of the combined management report.

B.23

Condensed Statement of Income of Daimler Truck Holding AG

	2024	2023
In millions of euros		
General administrative expenses	-68	-73
Other operating income	23	17
Operating loss	-45	-56
Profits received due to a profit transfer agreement	1,558	5,511
Interest income/expense, net	170	45
Income taxes	-40	-238
Net profit	1,643	5,262
Profit carried forward	726	292
Income from the capital reduction due to the acquisition of treasury shares	31	0
Expense from the acquisition of treasury shares	-31	0
Transfer to the capital reserve in accordance with the provisions on simplified capital reduction	-31	0
Distributable profit	2,338	5,554

Liquidity and capital resources and financial position

At €20,881 million, **total assets** were €789 million below the prior year's level.

Non-current assets remained unchanged from the prior year at €15,100 million and consisted exclusively of the 100% equity interest in Daimler Truck AG shown under financial assets.

Receivables and other assets decreased by €796 million year-on-year to €5,774 million and mainly included receivables from affiliated companies of €5,540 million. In the amount of €3,938 million, these largely resulted from receivables from intra-group clearing transactions within the scope of central financial and liquidity management and in the amount of €1,558 million from the control and profit and loss transfer agreement with Daimler Truck AG. Due to the cash management structure, the operating bank account of Daimler Truck Holding AG is balanced daily.

Prepaid expenses increased by €7 million to €7 million compared to the prior year and mainly include advance payments for insurance benefits.

Cash flow from operating activities amounted to minus €70 million in the 2024 financial year (2023: minus €78 million). Compared to previous year, the increase in operating profit had a positive impact on cash flow from operating activities.

Cash flows from investing activities in the 2024 financial year came to €5,511 million (2023: €1,393 million) and resulted from the profit transfer of Daimler Truck AG.

Cash flow from financing activities of minus €2,378 million (2023: minus €1,315 million) in the 2024 financial year resulted mainly from the change in receivables and liabilities of intra-group clearing transactions within the scope of central financial and liquidity management.

The **equity** of Daimler Truck Holding AG decreased by €734 million to €20,568 million in the reporting year. Equity increased mainly due to the distributable profit of €2,338 million (December 31, 2023: €5,554 million) and decreased due to the dividend payment to the shareholders of Daimler Truck Holding AG in the amount of €1,528 million (December 31, 2023: €1,070 million), as well as through the acquisition of treasury shares as part of the share buyback program. As of December 31, 2024, Daimler Truck Holding AG held treasury shares worth €10 million (December 31, 2023: €18 million). In the reporting year, the share capital was reduced from €822,951,882 to €791,868,289 through the cancellation of treasury shares with effect from November 05, 2024. Further information on the share buyback program can be found in Note 20. Equity in the notes to the consolidated financial statements.

Provisions rose by €17 million to €140 million and resulted primarily from tax provisions, personnel provisions, other legal obligations and the obligation to prepare and audit the annual financial statements.

Liabilities decreased by €71 million to €173 million and mainly included liabilities from the fiscal entity for VAT purposes (€157 million).

B.24

Condensed Balance sheet structure of Daimler Truck Holding AG

	December 31, 2024	December 31, 2023
In millions of euros		
Assets		
Financial assets	15,100	15,100
Non-current assets	15,100	15,100
Receivables and other assets	5,774	6,570
Current assets	5,774	6,570
Prepaid expenses	7	0
	20,881	21,670
Equity and liabilities		
Share capital	792	823
Treasury shares	-10	-18
Capital reserve	14,308	14,277
Retained earnings	3,140	666
Distributable profit	2,338	5,554
Equity	20,568	21,302
Tax provisions	115	98
Other provisions	25	26
Provisions	140	124
Liabilities to subsidiaries	157	221
Other liabilities	16	23
Liabilities	173	244
	20,881	21,670

Risks and opportunities

The business development of Daimler Truck Holding AG as a management company depends primarily on the development of its direct and indirect subsidiaries worldwide and is therefore subject to substantially the same risks and opportunities as those of the Daimler Truck Group through the earnings contributions of the subsidiaries and associated companies. Daimler Truck Holding AG generally participates in the risks of the associated companies and subsidiaries of the Daimler Truck Group in proportion to its respective ownership interest. The risks and opportunities are presented in the chapter Risk and Opportunity Report of the combined management report. In addition, relationships with our subsidiaries and associated companies may result in charges arising from legal or contractual contingent liabilities (in particular financing) as well as impairments of the shares in Daimler Truck AG. Based on the criteria set out in the chapter Risk and Opportunity Report of the combined management report, the extent and probability of occurrence of the opportunities are considered to have decreased compared to the previous year. The overall risks of the Daimler Truck Group are considered to be on an increased level compared to the previous year.

Subsequent liability

Pursuant to Section 133 Subsections 1 and 3 of the German Transformation Act (Umwandlungsgesetz or UmwG), Daimler Truck Holding AG is jointly and severally liable with Mercedes-Benz Group AG for the settlement of liabilities remaining with Mercedes-Benz Group AG, which were incurred prior to the spin-off and hive-down on December 09, 2021 taking effect, if they fall due within five years of the announcement of the registration of the spin-off and hive-down in the commercial register of Mercedes-Benz Group AG and claims against Daimler Truck Holding AG are determined as a result thereof by a court or in another manner described in Section 133 of the German Transformation Act (UmwG), or a judicial or official enforcement action is taken or applied for.

The aforementioned period is ten years for pension obligations based on the German Company Pensions Act (Betriebsrentengesetz) established prior to the effective date of the spin-off and hive-down. Daimler Truck Holding AG does not expect any outflow of liquidity in this respect due to the sufficiently available special-purpose assets of the other legal entities.

The provisions in this context, in particular the procedure for regulating internal compensation between the participating legal entities, can be found in the Group separation agreement, which is an annex to the spin-off and hive-down agreement of August 06, 2021. The spin-off and hive-down became effective on December 09, 2021 by entry in the commercial register.

On the basis of the current assessment, an actual outflow of liquidity from Daimler Truck Holding AG is considered unlikely.

Outlook

The profitability, liquidity and capital resources, and financial position of Daimler Truck Holding AG are determined by the business development and success of its direct and indirect operating subsidiaries, in whose development it participates directly and indirectly through profit and loss transfer agreements and dividend distributions.

For 2025, we expect the net profit of Daimler Truck Holding AG to be significantly above the level of the 2024 financial year. In particular, we anticipate a significantly higher profit transfer from Daimler Truck AG.

Furthermore, due to the interconnectedness of Daimler Truck Holding AG with the Group companies, we refer to our statements in the chapter Outlook of the combined management report, which in particular also reflect the expectations for the parent company.

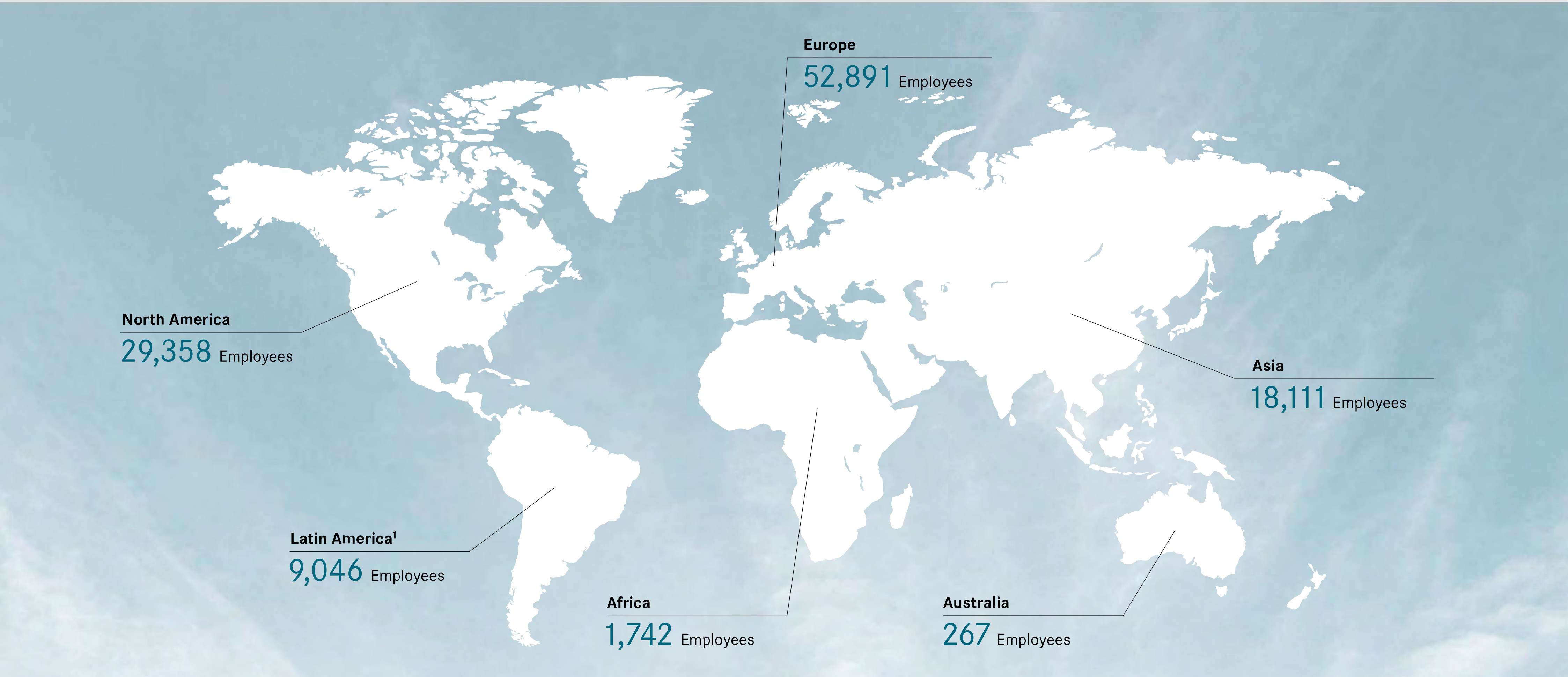
Sustainability at Daimler Truck

General Information

Environment

Social

Governance



1 Excluding Mexico.

General information

We have created clear responsibility structures for sustainability. The established management and organizational structures are intended to strategically support our sustainability goals.

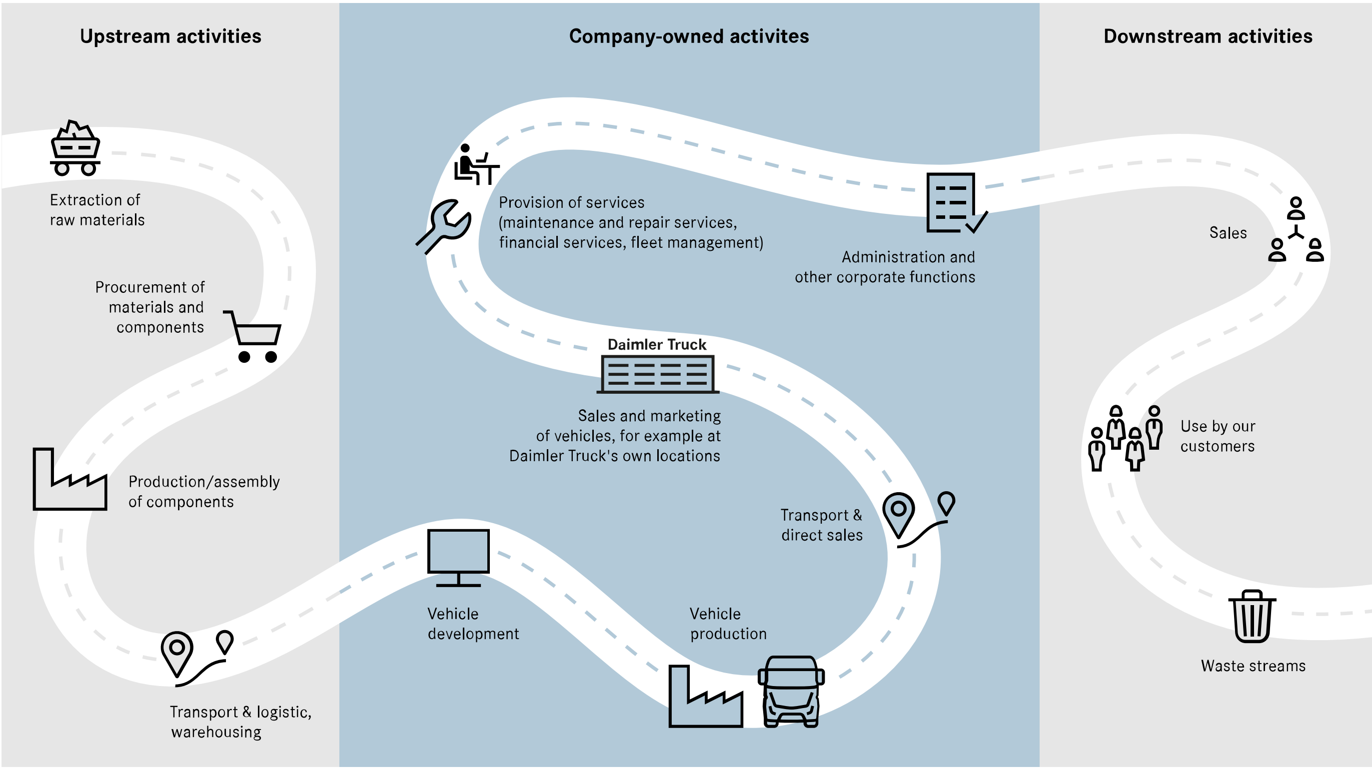
Summary overview (ESRS 2)

As one of the world's leading manufacturers of commercial vehicles, we aim to develop sustainable and future-proof transport solutions for the transport of goods and people and to bring them onto the road. We take the associated responsibility for our employees, the environment and society as a whole very seriously - and view sustainability holistically as an integral part of our core business and our corporate activities. We focus on the topics of environmental, social and governance (ESG). The United Nations' 17 Sustainable Development Goals (SDGs) serve as our guide. One of our long-term corporate goals is to lead the technology transformation to enable CO_2e-free transport on the roads by 2050. To achieve this, we will, among other things, offer battery-electric and hydrogen-powered trucks and buses in our markets that are CO_2e-free when in operation ("tank to wheel"). From 2039 onwards, we plan to only offer vehicles in Europe, Japan and USA that are CO_2e-free during operation.

Our entire business strategy has a direct or indirect impact on sustainability aspects. In particular, the switch to CO_2e-free drive technologies influences the fields of activity of our employees and the central production processes. Through training programs, process changes and innovation promotion, we strive to integrate these changes into our organization in a sustainable manner. For us, sustainability is a essential part of our short- and long-term decisions. Further information on our sustainability goals, projects and initiatives can be found in the following thematic chapters.

Our value chain includes all processes from raw material extraction to the end consumer. The procurement of raw materials and components from our global supplier network as well as their transport and logistics represent our upstream value chain. The main materials that we use to produce truck and buses include iron, steel and aluminum.

B.25
Our value chain



Our approach to securing these materials includes maintaining long-term supplier relationships, conducting regular audits and ensuring the quality and availability of materials. In our own business activities, our focus is on vehicle development, production, direct sales and complementary services such as maintenance, repair and financial services.

Activities in the downstream value chain include sales, the use of our products by end customers and recycling at the end of the vehicles' life cycle. Further information on our business model and the value chain can be found in chapter Business model of the combined management report.

General principles for preparing the Group Sustainability Statement

Reporting profile
Our non-financial statement of the Group in accordance with Section 315b of the German Commercial Code (HGB) and Section 315c in conjunction with Sections 289c to 289e HGB. It contains key information on environmental, employee, social, anti-corruption, and human rights matters. Our integrated Group Sustainability Statement was structured with a view to compliance with EU legislation on sustainability reporting, the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). For the reporting year, we have used the ESRS in the corrected German version of Directive 2024/90457 as a reporting framework for the first time and report in accordance with those. The switch to the ESRS was made in order to gain early experience with the framework that is expected to be mandatory from the 2025 financial year. The following content was identified based on its relevance for meeting the requirements and presented transparently in terms of the material impacts, risks and opportunities. This was based on our double materiality analysis carried out in accordance with the ESRS.

The Group Sustainability Statement was subjected to a business audit to obtain limited assurance. No additional external validation of the data has taken place, unless this is explicitly noted for a metric.

The Group Sustainability Statement was prepared on a consolidated basis. In addition to the scope of consolidation of the consolidated financial statements (shown in the Notes to the Consolidated Financial Statements under Note 41. Additional information), two subsidiaries of Daimler Truck AG were included in the scope of consolidation of the non-financial Group statement in accordance with the ESRS requirements due to their business activities and their impact on sustainability matters. No other companies over which we exercise operational control were identified.

For the 2024 reporting year, we did not use the option to omit certain information relating to intellectual property, knowledge or the results of innovations. Furthermore, we did not make use of the exemption under Section 289e HGB for the non- disclosure of imminent developments or matters under negotiation.

Our investment approval and resource allocation processes do not yet allow us to allocate our current and future investments and operating expenditure to the reported (individual) measures, with the exception of the aggregated investments and operating expenditure related to research and development for the measures in the chapter Climate protection and climate change adaption. We plan to update our processes to enable this allocation and to be able to report investments and operating expenditure for the implementation of the measures in the future.

The ESRS index and an overview of the information included by reference can be found in the chapter Notes to the chapter Sustainability at Daimler Truck. On our website, we also highlight the Sustainable Development Goals (SDGs), with a focus on those most relevant to our activities. Further information is available at www.daimlertruck.com/en/sustainability.

Companies that are required to prepare a non-financial statement under Articles 19a or 29a of the EU Accounting Directive and Section 289b Subsection 1 or Section 315b Subsection 1 of the HGB must apply the Taxonomy Regulation. In this context, Daimler Truck is also subjected this obligation. Detailed information and tables can be found in chapter EU taxonomy.

Definitions of time horizons
The reporting period for the Group Sustainability Statement corresponds to our financial year, which runs from January 01, 2024 to December 31, 2024. As part of our sustainability reporting, we define the relevant time horizons as follows: Our short-term time horizon refers to a one-year reporting period. The medium-term time horizon immediately follows the short-term time horizon and covers up to seven years. A long-term time horizon refers to periods of more than seven years. These periods align with the observation horizon of our risk and opportunity management system.

Due to the first-time application of the ESRS, we do not report comparative figures in the reporting year.

Sources of estimates and uncertainty of results
When collecting sustainability information, we mainly used primary and secondary data, but also estimates. The information on the expected results of our goals and measures in chapters Climate protection and climate change adaptation and Resource efficiency and circular economy a is based on the planning data from our internal Green Production database. These values represent an assessment of the expected effectiveness of the measures and do not reflect the actual measured values of the reporting year. Under real conditions, deviations from the planned results may occur due to factors such as weather-related fluctuations or other external influences that were taken into account in the planning as potential uncertainty factors.

When collecting CO_2e emissions and the key figures on circular economy and waste, we sometimes used industry averages. This applies in particular to the following key figures:

- Scope 3 emissions: For Scope 3.11 emissions resulting from the use of the products we sell, we use an estimate based on the production volume.

- Scope 3 emissions and resource inflows: The estimate of the total weight of the products and materials used for the year 2024 is based on planning data from purchasing. An estimation uncertainty arises from the fact that the raw material quantities were determined at supplier level and on the basis of an average raw material price per material type at the beginning of 2024. The weight of the materials used is not determined at a detailed level. High-priced materials are recorded even in small quantities, provided they represent a significant share of sales per supplier.
- Weight of secondary materials we use for production: We do not have comprehensive data from our suppliers regarding secondary materials, so we have relied on industry averages.
- Recyclability of products: This key figure was determined using a theoretical calculation based on ISO 22628 and the material data from Life Cycle Assessments (LCAs) of our vehicles in their delivery state, which are tested and certified by Technical Inspection Association (TÜV). The actual recycling rate of our vehicles depends on regional conditions.
- Durability of our vehicles: Due to the lack of industry data, a quantitative comparison of durability is not possible. The statement that the durability of our vehicles is in line with the industry average is based on customer feedback regarding mileage, use and frequency of repairs. This feedback is valuable, but it still contains some inaccuracies because it is not collected in full for all vehicles.
- Recycling and disposal processes used in waste metrics: The allocation of waste streams to recycling and disposal processes is partly based on estimates that were interpolated or calculated by our environmental specialists in the plants.

We also sometimes use estimates to collect key figures in the social sector. This applies in particular to the following key figures:
- Gender pay gap and total compensation: An estimate was made based on the available global contractually owed time and compensation information. Remuneration included contractually agreed regular payments (base salary), allowances, benefits and variable payments. On this basis, an estimate was made based on a data base of over 94% of the global workforce. The relevant data was collected and checked for plausibility over a period from July 2023 to the end of June 2024.

More detailed descriptions of the methods can be found in chapters Climate protection and climate change adaptation, Resource efficiency and circular economy and Our people.

Sustainability governance

Composition and knowledge of the Board of Management and Supervisory Board
The Corporate Sustainability Board (CSB) is our central management and decision-making body for all sustainability issues that are of importance to the Company. It is made up of the members of the Board of Management of Daimler Truck Holding AG and Daimler Truck AG and meets at least twice a year under the leadership of the Chairwoman of the Board of Management. The Board members have various skills in the sustainability areas of environment, social, and governance. They are obliged to act within the framework of corporate governance and in the interests of the Daimler Truck Group and to strive for a sustainable increase in the Company's value. In doing so, they take into account the interests of shareholders, employees, and other stakeholders as much as possible.

As of December 31, 2024, the Board of Management consisted of eight members, six men and two women. The Board of Management thus consisted of 25% women.

The Supervisory Board monitors and advises the Board of Management, also with regard to sustainability topics. It regularly addresses the sustainability aspects of our corporate strategy, which includes ecological and social goals as well as long-term economic goals. The 20 Supervisory Board members are elected half by the shareholders at the General Meeting and half by the employees of the Group's German operations. As of December 31, 2024, there were three women among both the shareholder representatives and the employee representatives. This corresponds to a proportion of women of 30% on both sides and in the entire Supervisory Board. In the 2024 reporting year, the Supervisory Board classified eight out of ten shareholder representative (i.e., 80%) on the Supervisory Board as independent.[1]

According to the recommendations of the German Corporate Governance Code, the assessment of independence is to be carried out for shareholder representative, but not for the employee representative - which are required under German co-determination law. Assuming that all employee representatives are not to be classified as independent, this would result in a quota of 40% independent Supervisory Board members in relation to the entire Supervisory Board.

The members of the Supervisory Board bring diverse perspectives and expertise that are essential for advising and monitoring the Board of Management and for coordinating the Company's strategy. The required expertise in the area of sustainability is defined in the requirements profiles for the Board of Management and Supervisory Board formulated by the Supervisory Board. This definition of sustainability expertise is consistent with the results of the double materiality analysis. After a self-assessment by Board members and a subsequent plausibility check, the Supervisory Board confirms that the requirements profiles for both Boards have been met.

The members of the Supervisory Board assume responsibility for the training and further education measures required for the performance of their tasks, particularly on sustainability issues. In the reporting year, the Supervisory Board also delt with technical, social, and environmental issues in several so-called "learning sessions". These included issues of sustainability in the value chain and in the financial sector. As part of these training measures, there was an intensive exchange with internal and external experts.

Both the Board of Management and Supervisory Board members have experience in the geographical markets relevant to us: North America, Europe and Asia. Due to their international experience and their many years of activity in these regions, particularly in the areas of commercial vehicles and financial services, the members collectively contribute to successfully advancing our international competitiveness.

Detailed information on the qualifications and experience of the members of the Board of Management and the Supervisory Board, the overall requirements profiles and their implementation status, also with regard to sustainability expertise, can be found in chapter Declaration on Corporate Governance in section Overall requirements profiles for the composition of the Board of Management and the Supervisory Board including Qualification Matrix. The CVs of the Board of Management members can be found at www.daimlertruck.com/en/company/corporate-governance/board-of-management, those of the Supervisory Board members at www.daimlertruck.com/en/company/corporate-governance/supervisory-board.

Our governance structure for sustainability
The existing management and organizational structures are designed to support the strategic promotion of our sustainability goals. In order to embed sustainable principles more firmly in our business areas, our governance structure in the area of sustainability is continuously being developed further.

As part of this development, the Sustainability Steering Committee (SSC) was dissolved in the reporting year. The aim of this measure was to strengthen the integration of sustainability into the overall organization and existing processes. This is intended to link the sustainability strategy more closely with financial planning, management and our business decisions. The overall responsibility lies with the Board of Management members, who regularly meet as the CSB. They are supported by various working groups that focus on the key sustainability topics, which are also based on the segments and functions and cover the key areas of climate and environmental protection, circular economy, workforce, human rights, traffic safety, and compliance. The working groups also take into account the experience and expertise of the segments and functions. The specialist working groups are responsible for the concrete implementation of the measures in the respective topics.

1 Further details can be found in chapter Declaration on Corporate Governance in section Overall requirements profiles for the composition of the Board of Management and Supervisory Board including Qualification Matrix.

The Group Sustainability Management department plays a central role in managing our Group-wide sustainability activities: It coordinates the working groups, drives the development of our sustainability strategy and is responsible for stakeholder management. It also acts as an interface to Sustainability Performance Management. The progress and decisions of the working groups are regularly reported to the CSB. The strategic implementation of sustainability topics is the responsibility of the specialist committees of the respective Board of Management areas at top management level. The central management and decision-making body for sustainability remains the Board of Management.

As part of the development of our sustainability strategy, the team responsible for the non-financial statement of the Group was integrated into the Group Accounting department. This reorganization aims to enable closer integration with the financial reporting and the associated processes and governance structures. A central theme of the reporting year was also the implementation of the new EU legislation on sustainability reporting, CSRD and the ESRS.

The role of the Board of Management and Supervisory Board in sustainability management

The Board of Management reports to the Supervisory Board, usually once per quarter, on the strategic direction of the Daimler Truck Group and its segments. In addition to long-term economic goals, ecological and social goals are also taken into account and agreed with the jointly. The Supervisory Board monitors and advises the Board of Management, and sustainability issues are also discussed. These include sustainability aspects of corporate strategy, corporate planning, Board of Management remuneration and sustainability reporting.

The Board of Management and the Supervisory Board work closely together for the benefit of the Company. When assessing the Group strategy, making decisions on significant transactions and in risk management, both bodies systematically take into account the impacts, risks and opportunities identified as material in sustainability management. This continuous process is in line with the Company's interests and is continually being developed further.

In 2024, the Board of Management dealt with the material impacts, risks and opportunities identified in the double materiality analysis. It also discussed the selection and validation of strategically relevant ESG control indicators. These were prioritized based on their materiality, strategic ambitions and benchmarking criteria. To support financial planning and strategic decisions, the working groups have drawn up an initial set of ESG targets. In 2025, additional targets are to be defined and further key performance indicators for operational control are to be introduced. The final coordination of sustainability planning and targets for the Group and the individual segments was carried out by the CSB.

Regularly - at least twice a year - the working groups inform not only the CSB but also other committees - for example the Audit Committee, the Disclosure Committee and various specialist committees - about material impacts, risks and opportunities. The focus is also on implementing due diligence and assessing the results and effectiveness of the agreed policies, actions, key figures, and targets. Specialist functions such as human resources, environmental management, development or our purchasing department are responsible for implementing controls for the identified material impacts, risks and opportunities.

Details on the key aspects of fulfilling the Group's due diligence are set out in the Declaration of Due Diligence ↗ **B.87** in chapter Notes to the chapter Sustainability at Daimler Truck.

Our corporate principles and policies

Sustainable success is based on responsible action. Whether in production or administration – in all areas we aim to act responsibly, regardless of area of responsibility or hierarchy level.

We have defined our most important principles in our Daimler Truck Code of Conduct. It provides guidance to all employees of the Daimler Truck Group and supports them in making the right decisions even in difficult business situations.

Our goal is for all employees to know and comply with the Group-wide Code of Conduct and to behave responsibly, with integrity and in compliance with the rules. Our Daimler Truck Code of Conduct serves as a general standard of values and sets out the guidelines for our actions. The policy applies to all employees of Daimler Truck Holding AG and Daimler Truck AG as well as to the controlled Daimler Truck Group companies. It is available in twelve languages and can be accessed at any time via the central policy platform.

The core of our Daimler Truck Code of Conduct are our four guiding principles, the four "Purpose Principles". With these we have defined key principles that drive us in our daily work:

- We start with listening
- We build to solve
- We lead with the long view
- We progress together

Our managers regularly communicate the Daimler Truck compliance values and raise awareness of compliant behavior. Through these compliance activities, management aims to ensure that all employees act responsibly, with integrity and in compliance with the rules.

B.26

Daimler Truck Code of Conduct / Code of Conduct

Category	Description
Most important content	Our Code of Conduct regulates the essential principles for action within the Daimler Truck Group. It covers the following topics, among others: respect for human rights, compliance with laws and internal regulations, appropriate behavior within the Daimler Truck Group and towards authorities, officials, business partners and customers, dealing with conflicts of interest, prohibition of corruption in any form, protection of company assets, fulfillment of our social and corporate responsibility, handling of data.
General objectives	The Daimler Truck Code of Conduct defines which rules apply to all of us and the principles by which we work.
Reference to material impacts, risks or opportunities	The Daimler Truck Code of Conduct forms the backbone of our corporate culture and helps to promote ethical business practices within the Group.
Monitoring process	Compliance with our code of conduct is monitored within the framework of standard processes, particularly by management and, among others, by the Compliance and Corporate Audit departments.
Scope	This policy applies to all employees, members of the executive bodies of Daimler Truck Holding AG, and all controlled Group companies. We also expect our business partners to familiarize themselves with and adhere to this policy.
Responsible organizational level	The Compliance department is headed by the Chief Legal and Compliance Officer and reports directly to the Chairwoman of the Board of Management.
Reference to standards and initiatives of third parties	We respect internationally recognized human rights and base our actions on the UN Guiding Principles on Business and Human Rights. We therefore attach particular importance to the rights set out in the United Nations Bill of Human Rights and the core labor standards of the International Labor Organization.
Consideration of the interests of stakeholders	We work with all employees, (Company) employee representatives, and unions in a respectful and trusting manner. We aim to achieve a fair balance between the economic interests of the Company and the interests of the employees.
Availability of the policy for stakeholders	The Code of Conduct is publicly available on the website www.daimlertruck.com/en/company/compliance/daimler-truck-code-of-conduct and is available to all employees at any time via the central policy platform.

Fundamentals of our sustainable corporate governance

Risk and opportunity management
Our Group-wide risk and opportunity management system is integrated into our planning, control, and reporting processes. This system is intended to promote the sustainable realization of the corporate goals and raise awareness within the Company. Potential risks and opportunities are systematically identified, assessed and managed accordingly. In order to identify, assess, and actively manage business risks and opportunities at an early stage, we use effective management and control systems, which are bundled in our risk and opportunity management system.

The sustainability aspects are integrated into the Group-wide risk management process. This includes conditions, events or developments in the areas of environment, social, or corporate governance, the occurrence of which could actually or potentially affect on the profitability, liquidity and capital resources, and financial position as well as the reputation of the Daimler Truck Group. The material risks and opportunities resulting from the double materiality analysis were compared with our risk and opportunity management. The Group Risk Management Committee (GRMC) is responsible for the continuous development and assessment of the appropriateness and effectiveness of the risk management system. Further information on risk and opportunity management at Daimler Truck can be found in chapter Risk and Opportunity Report in section Risk and opportunity management system.

Compliance Management System
The compliance organization at Daimler Truck is set up regionally and by function (Center of Competences). The management of the Group companies is supported in implementing the compliance program locally through specifications and advice. The compliance policy regulates the implementation of the applicable legal and regulatory requirements. It forms the basis for the implementation of the compliance program locally.

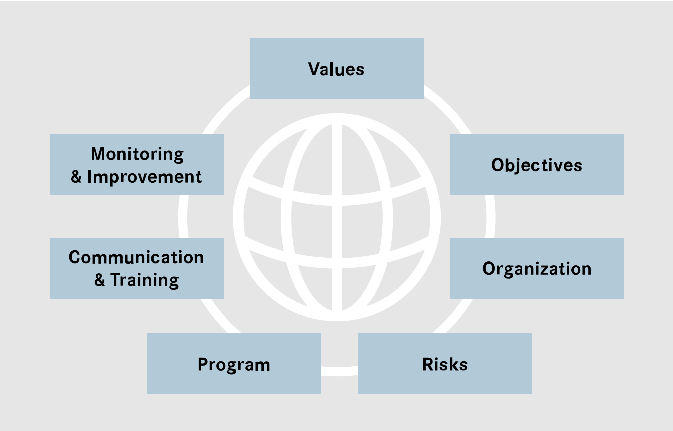
Further information on the compliance policy can be found in table ↗ B.28 at the end of this chapter.

The Compliance Board, consisting of representatives from the compliance and legal departments and headed by the Chief Legal and Compliance Officer, is responsible for the overall compliance strategy. The board reviews the appropriateness and effectiveness of the Compliance Management System (CMS), responds to changes in business models and regulatory developments and continuously develops the CMS.

With our CMS, we want to promote compliance with laws and policies within the Company and support compliant behavior. Our compliance and legal organization defines appropriate measures, which are designed to consider business requirements and corresponding risk situations appropriately. The system provides a structured framework to promote compliant behavior in all relevant compliance areas and helps to minimize compliance risks.

Our CMS is based on national and international standards and is used worldwide.

B.27
The Daimler Truck Compliance Management System



The main objectives of our Group-wide compliance activities are:

- Combating corruption
- Preserving and promoting fair competition
- Compliance with technical and regulatory requirements for our products
- Respect and protection of human rights
- Compliance with data protection regulations and information security
- Prevention of money laundering and terrorist financing
- Compliance with sanctions and export control law
- Compliance with tax and customs obligations
- Human resources compliance and appropriate labor and social standards

We regularly and systematically evaluate our controlled Group companies and central departments in order to minimize compliance risks. The information required for this is collected from the affected units if it is not available centrally. The profiles created form the basis of our compliance risk management. They help us to implement targeted risk-reducing measures in the respective units. This risk management approach serves as a framework for all compliance areas within the central compliance organization.

As part of the 2024 risk management cycle, a full scope assessment was carried out across all units and compliance fields in the scope. Existing profiles from the 2023 cycle were also updated. The profiles are based on the risk assessment questionnaires, the answers given, and indicators for the respective risk environment of the units. Based on this profile, individual assignments of mitigating measures and an individual risk rating for each compliance field is determined. The individually assigned measures and their implementation are tracked in the units and a statement on the effectiveness of the measures is generated for each unit. The result was subsequently reported to the respective risk owner.

B.28

Compliance Policy

Category	Description
Most important content	This policy governs the implementation of the applicable legal and regulatory requirements and regulations within Daimler Truck Holding AG and its directly or indirectly controlled companies.
General objectives	The aim is to prevent or minimize compliance and reputational risks as well as damage to Daimler Truck and its employees.
Reference to material impacts, risks or opportunities	The CMS provides a structured framework to promote compliant behavior in all relevant compliance areas and to minimize compliance risks.
Monitoring process	The central compliance department reviews the processes and measures for all defined compliance fields and program elements. This review assesses appropriateness, implementation, and effectiveness through an annual compliance monitoring process. Corporate Audit independently and on a risk-based basis checks selected compliance fields and program elements and their implementation in the controlled group companies.
Scope	This policy applies worldwide to all employees and members of managing bodies of Daimler Truck Holding AG and all controlled Group companies.
Responsible organizational level	The Compliance department is headed by the Chief Legal and Compliance Officer and reports directly to the Chairwoman of the Board of Management.
Reference to standards and initiatives of third parties	The design of the CMS is based on the recognized auditing standard IDW PS 980, which is supplemented in detail by other recognized international standards such as ISO 37301 and best practices.
Consideration of the interests of stakeholders	When drawing up the policy, the interests of employees, customers, business partners and investors were taken into account.
Availability of the policy for stakeholders	The policy is available to all employees at all times via the central policy platform.

Internal control systems
The objective of our internal control system (ICS) is to ensure the appropriateness and effectiveness of accounting-related reporting. Detailed information on the ICS can be found in chapter Risk and opportunity management system and Declaration on Corporate Governance.

The risk assessment for the Group Sustainability Statement identified the overarching risk of reporting incorrect, incomplete, inaccurate or incomprehensible non-financial data would be reported. For this reason, no comprehensive risk mapping and assessment was carried out for the non-financial reporting. The identified risk is mitigated by our already implemented reporting process and our many years of experience in integrated reporting. The data collection and approval process for the Group Sustainability Statement was expanded for ESRS data points based on this experience and these were defined and determined in close coordination with internal experts, auditors and external consultants.

In the 2024 reporting year, we additionally developed a concept for our non-financial ICS, that is consistent with the financial ICS. The integration of CSRD requirements into our control framework creates a stable basis for comprehensive management controls in the area of non-financial reporting and thus contributes to minimizing risks in non-financial areas.

As part of the double materiality analysis, we determined the scope of control for the key data points for our non-financial reporting. On this basis, we introduced new central management controls that include both key quantitative data points and quantitative control indicators. In addition, the implementation of targeted controls at management level was initiated to validate the operational control process and further increase data security as well as reporting quality.

From the 2025 reporting year onwards, the results of the non-financial ICS will be reported regularly to the relevant governance committees, including the Board of Management and the Supervisory Board, according to the financial ICS.

Our existing financial control system already covers sustainability aspects, such as the EU taxonomy, in particular the recording and calculation of capital and operating expenditures (CapEx and OpEx) related to sustainability-related activities.

Supported by established EU taxonomy processes, we already have a basis for future formal documentation and optimization. With the gradual development of our non-financial ICS, we want to create sustainable growth and contribute to promotion of responsible corporate development in the long term.

Concerns and viewpoints of our stakeholders

Exchange with politics and society
By maintaining a constant dialogue with our stakeholders, we gain a deep understanding of their viewpoints, concerns, and expectations. The insights gained from this are incorporated into our sustainability initiatives, projects, and processes and enable us to align our work with the needs of our stakeholders and optimize our products to meet their needs.

Our most relevant stakeholders include our customers, business partners, employees, and investors. Within our workforce, the works council plays a central role in our sustainability management, as it represents and promotes the interests of our workforce. Further information on our works council can be found in chapter Our People.

The exchange with politics, the media, and society also plays an important role. In addition to direct dialogue with political decision-makers and other stakeholders who are interested in and committed to the sustainable development of our business model, we are actively involved in various associations, committees, and sustainability initiatives.

Associations and initiatives
We are actively involved in various associations and initiatives such as the UN Global Compact, econsense, and Hydrogen Europe, to promote a sustainable development. We use these platforms to exchange ideas with civil society and to promote innovative technologies, such as hydrogen drives.

We are also members of industry associations such as the Verband der Automobilindustrie (VDA) and the Association des Constructeurs Européens d'Automobiles (ACEA) to represent the interests of the automotive industry. Diversity and inclusion are important to us, which is why we participate in initiatives such as the Diversity Charter and the European Women's Management Development Network. We also actively participate in the work of the working groups of the associations and initiatives mentioned above that are relevant to our core business.

Involvement of stakeholders in our sustainability strategy
Our stakeholders provide valuable input that shapes our strategy and business model. They contribute to the efficient and sustainable development of our company. Insights from these dialogues also flow into our due diligence processes. The viewpoints of our key stakeholders in relation to our strategy and our business model were analyzed as part of our double materiality analysis. The most frequently mentioned topics include the challenges of climate protection, fair working conditions, and the protection and respect of human rights. In stakeholder dialogue formats, such as the International Motor Show (IAA), we have received input on industry development and how to meet customer expectations, which are incorporated into the continuous revision of our strategy.

Inclusion of sustainability-related performance in incentive systems

The remuneration system for the members of the Board of Management consists of non-performance-related fixed and performance-related variable remuneration components using qualified and demanding performance criteria, which together make up the total remuneration of the Board of Management. The performance-related variable remuneration is in turn divided into short-term variable remuneration (annual bonus) and long-term variable remuneration (Virtual Share-based Equity Plan (VSEP)).

The fixed base salary (including pension commitment and fringe benefits) contributes around 25-35%, the annual bonus around 20-34% (including the share of the pension commitment) and the variable remuneration with a long-term incentive effect contributes around 35-50% to the target total compensation.

In addition to incentives for the financial performance of the Board of Management and senior management in the short- and long-term variable remuneration, non-financial performance criteria relating to sustainability are also anchored in our compensation system. For the variable remuneration, performance criteria and objectives are set by the Supervisory Board, which are derived from our corporate strategy. Subsequent changes to the performance criteria and objectives are not possible.

The financial performance criteria for the annual bonus are based on Daimler Truck's EBIT and the free cash flow of the Industrial Business. These financial criteria are weighted at 75% for the annual bonus. In addition to incentives for strong financial performance at Daimler Truck, sustainability targets are also set in the annual bonus to take all stakeholders into account, which are aligned with the ESG framework. These take into account the increased importance of sustainable business.

The non-financial performance criteria are weighted at 25% for the annual bonus. The variable short-term Board of Management remuneration in the 2024 financial year included the topics of “unit sales of locally CO_2e-free vehicles” and “general wellbeing of employees” (wellbeing). These targets, with a total weighting of 25%, have been set with an individual weighting of 20% for locally CO_2e-free vehicles and 5% for wellbeing in the remuneration system.

For the 2024 VSEP tranche, the financial performance criterion used is the relative share price development in relation to the MSCI World Industrials Index. The non-financial performance criteria used are the reduction of CO_2e emissions from production facilities of the Daimler Truck Group and the proportion of female managers among all managers at levels 1 to 4 of the Group. The financial performance criterion accounts for 75% of the weighting, while the non-financial performance criteria collectively account for the remaining 25%.

The percentage of the variable target remuneration that depends on sustainability-related targets is 25%. The percentage of total target remuneration that is linked to climate-related factors was 12% in the current financial year. In this context, remuneration should be viewed in connection with our strategic goal of decarbonization. The corresponding targets can be viewed in chapter Climate protection and climate change adaptation.

Further information on the remuneration of the Supervisory Board and the Board of Management can be found at www.daimlertruck.com/en/company/corporate-governance/supervisory-board/remuneration-of-the-supervisory-board and www.daimlertruck.com/en/company/corporate-governance/board-of-management/remuneration-of-the-board-of-management.

Double materiality analysis

The double materiality analysis is a fundamental tool to support our strategic decisions and helps us identify key sustainability topics for our reporting. As part of this analysis, we assess both our impact on ESG and their effect on our corporate development, performance and position. The double materiality analysis helps us integrate sustainability more deeply into our strategy and anchor the impacts, risks, and opportunities from our business activities into our corporate philosophy and daily actions.

Process and methodology

Our double materiality analysis considers the principles outlined in the ESRS, published in December 2023 in the corrected German version of the Directive 2024/90457. It was conducted in five phases:

Phase 1 - Initial situation
In the first phase involved identifying the challenges and (potentially) relevant sustainability topics for our Group. This was done using internal and external documents such as the Annual Report, international ESG standards, regulations, ESG ratings, media reports, and information from competitors. All information was collected and assigned to thematic categories.

Phase 2 - Mapping the value chain
An important part of the analysis, we involved internal experts from both segment and Group functions to ensure the most comprehensive perspective possible. We also integrated external stakeholders into the process. A total of nine internal and external stakeholders were identified: customers, employees, suppliers, investors, networks and initiatives, science, associations as well as the Supervisory Board and the works council. We developed an overview of our value chain and categorized the activities in the upstream and downstream value chain as well as our own business activities. The relevant sustainability topics were assigned to our value chain.

Phase 3 - Involvement of our stakeholders
In the third phase, our focus was on prioritizing the material impacts, risks and opportunities related to our sustainability topics. To do this, we interviewed some of the relevant internal and external stakeholders to provide input on the sustainability topics and the related actual or potential impacts, risks, and opportunities. They shared their perspectives through interviews and qualitative surveys and their insights into the respective assessment of impacts and financial materiality. Materiality in relation to our value chain and time horizon was also questioned.

Phase 4 - Impact, risks, and opportunity assessment and prioritization of topics
The aim of Phase 4 was to assess and classify the (potential) material impacts, risks, and opportunities resulting from the previous stakeholder surveys. To this end, a selection of internal stakeholders with a particular understanding of the organizational and regional context of our Group-wide activities were involved. We have established a multi-stage process for assessing the positive and negative impacts, risks, and opportunities.

- Impacts: When assessing the severity of positive and negative impacts we took the extent and scope into account. In the case of negative impacts we additionally considered the irreversibility of the impacts. In the case of potential impacts, we also considered the likelihood of occurrence.
- Risks and opportunities: For the assessment we considered the potential extent of the financial effects and the probability of occurrence.

Qualitative scales from 1 to 5 served as the basis for evaluation. The highest value among the evaluated factors was used to determine the severity of the impact. As part of the qualitative assessment of the risks and opportunities, we also considered the extent to which these can be derived from the identified impacts. A financial assessment of the risks and opportunities was not carried out. To prioritize the impacts, risks, and opportunities, the determined values for severity or extent were multiplied by the probability of occurrence. Results with a score of 15 or higher were defined as “material” for Daimler Truck.[1]

Phase 5 - Validation
The final phase included discussing and validating the results intensively with the managers of the Environmental Protection, Legal & Compliance, Human Resources, Procurement, Development, and Strategy departments. For the first-time reporting according to the final German version of the ESRS, we took into account additional information from the European Financial Reporting Advisory Group (EFRAG) and associations in the reporting year and adapted it accordingly.

In 2025, we want to further develop our process, define clear interfaces and comprehensively define responsibilities. In addition, we plan to place the topic of IRO management (impacts, risks, and opportunities) in the Group Sustainability Management department in the future, in close cooperation with Risk and Opportunity Management.

1 In the case of potential negative impacts on human rights, the severity of the impact takes precedence over its likelihood.

Topic-specific disclosures

Analysis of climate-related impacts, risks, and opportunities
We use various future scenarios to analyze potential climate-related risks and opportunities. As part of a climate-related scenario analysis, we examined what consequences climate change could have on key locations of our Company (physical risks). The focus was on our upstream value chain and our own activities. As part of the double materiality analysis, the influences of climate policy and technology on our Company (transition risks) were also identified. We have taken the results into account in the definition of our impacts, risks and opportunities, which we present at the beginning of each chapter. These findings flow directly into our strategic direction: They influence the measures we take as well as the development of our business strategy in relation to the identified impacts, risks and opportunities.

Physical risks include dangers from extreme weather events and changes in climate patterns. For us, these risks are primarily relevant in the long-term. At the same time, acute effects from changing weather conditions are already becoming apparent today.

Daimler Truck has operating sites and suppliers worldwide and is therefore confronted with physical risks from acute and chronic weather changes across the Group. This particularly applies to heat waves, changing temperatures, drought, heavy rain and flooding, changing wind conditions, storms and other natural hazards.

Transition risks arise from adapting to climate-related changes, developments and uncertainties. Regulatory and market changes as well as technological developments and reputational risks have a strong impact on our Company, particularly during the product usage phase.

In the scenario analysis carried out for this financial year, we took into account the short-, medium-, and long-term time horizons (2030, 2050, 2080) for the two climate scenarios SSP1-2.6 and SSP5-8.5 (low- and high-emission scenarios) of the Intergovernmental Panel on Climate Change (IPCC), whereby a low and a high emissions scenario are taken into account in order to map a variety of possible physical scenarios. The underlying parameters were defined as part of the climate risk and vulnerability assessment in accordance with the EU taxonomy. For the analysis we included the following assumptions for the areas of energy and mobility:

- **SSP1-2.6:** Energy is supplied from renewable sources and low climate adaptation costs due to extreme weather events are expected. Battery-electric and hydrogen-based vehicles and local public transport (LPT) dominate mobility.
- **SSP5-8.5:** Fossil fuels will remain and high climate adaptation costs due to extreme weather events are expected. The combustion engine shapes mobility worldwide.

The significant climate-related hazards that cause physical risks are recorded both by region and by location type. These include offices and production facilities as well as Daimler Truck locations and those of our suppliers. The location-specific geographical coordinates were used for recording. The evaluation of the identified risks serves to analyze their impacts and consequences for our Company, the environment, and society. We intend to further incorporate these findings into our strategic planning and develop measures to minimize the identified risks and negative impacts and to make opportunities possible. In 2025, we aim to conduct a further scenario analysis to provide a well-founded assessment of the transitory risks. The climate scenarios used, in particular the low-emission scenario, are compatible with the underlying assumptions in chapter Note 1. General information and significant accounting policies, as they pursue the same target picture.

Analysis of impacts, risks and opportunities related to pollution
To determine the material impacts, risks and opportunities related to environmental pollution, we systematically assessed emissions from various activities along the value chain. These include, for example, production, transport, use and maintenance of our vehicles. The aim was to identify areas that have ecological impacts on the environment. In doing so, we considered the existing data on air and water emissions at site level.

To support this assessment, we have conducted consultations with stakeholders to capture their perspectives on significant environmental and social impacts, as well as risks and opportunities for Daimler Truck.

Analysis of impacts, risks, and opportunities related to water and marine resources
The assessment of impacts, risks and opportunities related to water and marine resources took into account both the results of our analysis based on the WWF water risk filter and data on water consumption at our sites. Consultations with stakeholders have confirmed our assessment that there are no material impacts, risks and opportunities related to water and marine resources.

Analysis of impacts, risks, and opportunities related to biodiversity and ecosystems
The assessment of impacts, risks and opportunities related to biodiversity and ecosystems, took into account our own sites, raw material extraction and the use phase of our products.

Analysis of resource use-related impacts, risks, and opportunities
In order to determine the material risks and opportunities as well as positive and negative impacts in connection with resource use and the circular economy, our own business activities were analyzed in more detail. The focus was on spare parts services, repair services and the reconditioning of vehicles. Together with our central Purchasing department, we also analyzed the materials used in vehicle production along the value chain. When it comes to waste, we use data from our locations, which gives us insights into our waste streams and enables us to conduct a corresponding analysis.

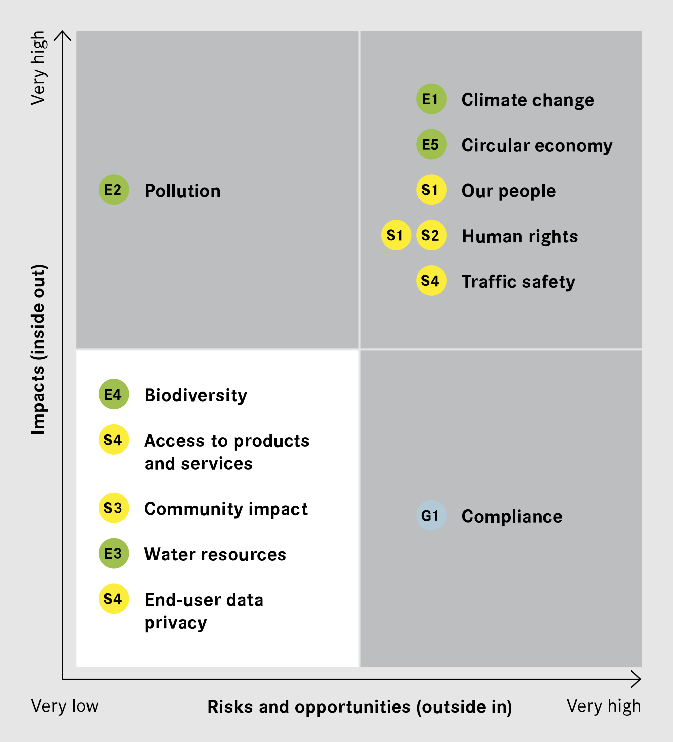
Analysis of corporate governance-related impacts, risks, and opportunities
Interviews with our relevant stakeholders were conducted and evaluated to identify material impacts, risks and opportunities related to corporate governance. In addition, we also took into account the legal requirements that affect us. The compliance risk analysis of our controlled Group companies and central departments played a crucial role in this process. This process takes into account criteria such as country, company and departmental activity, sector and structure.

Results of the materiality analysis

The double materiality analysis confirmed the focus topics of our sustainability strategy and identified seven areas of action as material. The topics of climate change, circular economy, our team, human rights and traffic safety are assessed as material from both the impact and risks and opportunities perspectives. The topics of pollution and compliance are also identified as material. These results are presented in the materiality matrix ↗ B.29.

Based on the key areas of action, we have assigned the relevant ESRS standards with the topics and subtopics defined therein to the material impacts, risks and opportunities. This determined which data points are to be reported according to ESRS. All material impacts, risks and opportunities fall under the corresponding disclosure requirements of the ESRS standard. In some cases, entity-specific information has been added to our fields of action.

B.29
The Daimler Truck materiality matrix



The environmental impact and risks we have identified in the topic-specific ESRS standards E1, E2, and E5 are closely linked to our strategic efforts to decarbonize transport.

We are driving this goal forward, among other things, through our product portfolio of CO_2e-free vehicles. For example, there is a possible risk that the slow expansion of the CO_2e-free vehicle infrastructure could hinder progress in the unit sales of these vehicles. This change also means a new skilled workforce strategy: We rely on a qualified workforce with new specialist knowledge. To achieve this we rely on further training and recruiting. Accordingly, our workforce and society are also affected, as can be deduced from our identified impacts and risks in the topic-specific ESRS standards S1, S2, and S4. It is important to us that we act ethically across the Group and promote a culture of integrity with the help of strong governance and compliance structures.

In the reporting year, the identified material risks and opportunities had no current financial effect on our financial position, financial performance and cash flow. In addition, no material risks and opportunities could be identified for which there is a significant risk of material adjustment within the financial statement 2025 to the carrying amounts of assets and liabilities reported in the related financial statement.

For further detailed information on the identified material impacts, risks and opportunities, please refer to the respective tables at the beginning of chapters Environment, Social and Governance.

We are continuously developing our business model to meet the requirements of the transformation to alternative drive technologies. The Board of Management is intensively examining the material impacts, risks and opportunities. In its role as CSB, it also assesses the resilience of our business model taking these factors into account. A formal resilience analysis was not carried out in the 2024 reporting year.

Environment

Climate protection and climate change adaptation (ESRS E1)

Climate change is one of the greatest challenges of our time - and requires decisive action. As a global manufacturer of trucks and buses, we want to use sustainable solutions and technical innovations to make transport locally CO_2e-free and develop strategies to counteract the effects of climate change. We are contributing to this not only with battery-electric or hydrogen-based vehicles, but also in the form of various services and new digital solutions. We pursue this goal in all areas of our value chain.

Material impacts, risks and opportunities

Around a fifth of greenhouse gas emissions in Europe are caused by road transport - the transport of goods and people. That is why, as part of our climate protection strategy and climate change adaptation, we regularly analyze material impacts, risks, and opportunities along the entire value chain.

The following table ↗ B.30 provides a systematic overview of these impacts, risks, and opportunities, differentiated according to their influence on our own business activities and along the value chain. This analysis forms the basis for our strategic decisions in order to make the most of opportunities and minimize potential risks. The impacts, risks, and opportunities presented cover physical, transition, and regulatory influences as well as technological developments that directly affect our business.

B.30

Material impacts, risks, and opportunities related to climate protection and climate change adaptation[1]

Category	Title	Description
Positive impact (VC)	**We offer innovative products and services that reduce environmental impact (TRA) (L)**	Our innovative products, such as battery-electric and hydrogen-based vehicles, reduce environmental impact. This is achieved, for example, through lower greenhouse gas emissions during production and utilisation as well as through the use of alternative materials.
Negative impact (OO; VC)	**CO_2e emissions (Scope 1, 2, and 3) contribute to global warming (PHY) (L)**	Our direct and indirect greenhouse gas emissions contribute to the increase in greenhouse gas concentrations in the atmosphere. This leads to acute and chronic changes in climate patterns, such as heatwaves, changing temperatures, droughts, heavy rainfall, floods and rising average temperatures.
Opportunity (OO)	**Energy-efficient practices and own generation of renewable energy can lead to cost reductions (TRA)**	Implementing energy-efficient measures can reduce costs in the short term. In addition, procuring renewable energy and managing resources sustainably can lead to long-term cost savings and increase resilience to energy price fluctuations.
Risks (OO; VC)	**Physical risks can cause production downtime and supply chain disruptions (PHY)**	Acute climate risks such as extreme rainfall, heat waves, droughts, storms, and forest fires, as well as chronic risks due to changes in precipitation, can lead to disruptions in the value chain, energy supply, price fluctuations, and resource scarcity, which can ultimately lead to production losses.
	Current and new regulations can lead to higher operating costs and liability problems (TRA)	Regulatory measures can lead to significant transitory risks. Current and new regulations to reduce fleet consumption and CO_2e emissions from new vehicles can lead to higher operating costs and liability issues. The technological challenges in developing our vehicles to meet new regulations may also result in increased operating costs. Non-compliance with the regulations can lead to financial sanctions, reputational damage, recall and remediation costs, which can have a negative impact on operating results as well as liquidity and capital resources.
	Disruptive technologies can cause risks in product development and increase research and development (R&D) costs (TRA)	The development of battery-electric and hydrogen-based vehicles increases the complexity of our product portfolio and pricing and may impact customer demand and the expectations of our stakeholders. As a result, this may lead to longer development times and higher R&D costs.
	The slow development of the infrastructure for alternative drive technologies may limit the unit sales of these vehicles (TRA)	The infrastructure required for battery-electric and hydrogen-based vehicles (charging infrastructure, refueling station network for alternative liquid fuels such as hydrogen) is developing slowly and depends on political decisions. This can limit and delay the introduction of and market demand for vehicles with alternative drive technologies.

1 Legende: (OO) Own Operations; (VC) Value Chain; (TRA) Transitional change; (PHY) Physical change; (L) Long-term time horizon

Our organization and management approach

The ultimate responsibility for climate protection and climate change adaptation lies with the Board of Management, which fulfills these responsibilities primarily through its role as the Corporate Sustainability Board (CSB). In addition, there are Group-wide environmental and energy representatives and cross-departmental committees that define our strategic direction. Implementation within the operational units is carried out by management representatives in the individual segments, plants, and central functions. This structure is shown in Figure ↗ B.31. Further descriptions can be found in chapter Sustainability governance.

Transformation of the drive train and promotion of climate-friendly technologies

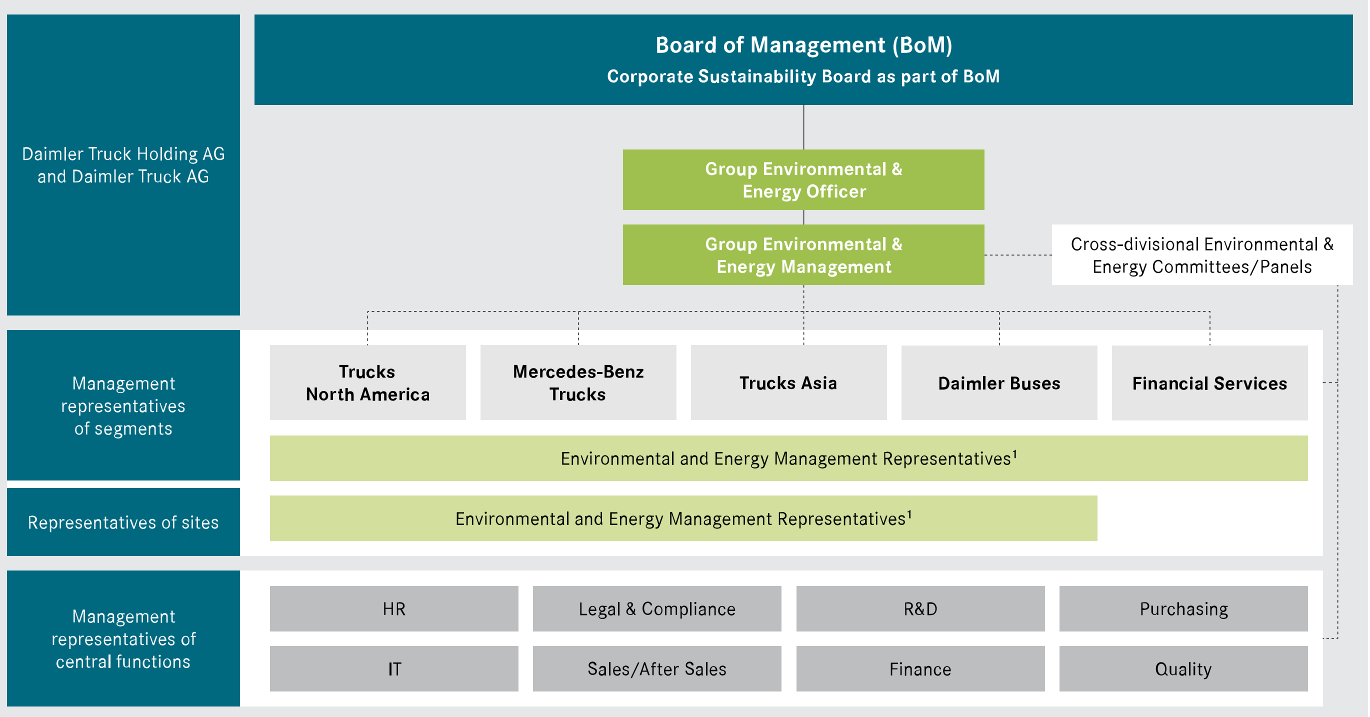
The automotive industry worldwide is subject to increasingly stringent and constantly evolving climate-related government regulations. Many countries and regions have already introduced measures to reduce vehicle emissions and fuel consumption or are preparing corresponding laws. In the EU, the targets are particularly ambitious: By 2025, the average emissions of the new vehicle fleet of all truck and bus manufacturers that fall within the scope of the relevant regulations are to be reduced by 15% compared to 2019, and a reduction of 45% is targeted by 2030.

In view of these strict regulations and targets, our Company faces the challenge of continuously reducing the fuel consumption and greenhouse gas emissions of our vehicle fleet. We already take this into account in product planning. Nevertheless, risks arising from the global legal and political framework have a significant impact on our future business success.

The conventional drive train will remain a key product in this decade (and even beyond 2030), especially in regions where infrastructure is not yet sufficiently advanced. We have developed a strategy that aims to reduce the share of the current diesel powertrain in our portfolio while maintaining our competitiveness. This strategy includes a clear roadmap for the transition to locally CO_2e-free vehicles.

B.31

Governance Environmental and Energy Management



1 Can be represented by one or two persons.

When developing our products, we place particular emphasis on the aspect of "customer co-creation". We work together with our truck customers and actively involve them in product development. One example of this engagement are our "Customer Council Meetings", such as those held in the USA in 2024, where our employees regularly exchange ideas with customers, including on topics such as e-mobility.

With the market launch of the eActros 600, Mercedes-Benz Trucks initiated a series of dialogue events with large European fleet customers. In this context, we discuss transformation topics regularly with up to 30 customers.

We consider not only the vehicles, but also the necessary ecosystem in order to collaborate on holistic solutions that enable an ecologically and economically successful transformation. In the reporting year, the events were expanded to include other vehicle applications, such as distribution and construction site applications. We also carry out regular activities with vehicle body manufacturers to actively drive the transformation forward in a collaborative manner.

Climate protection through innovative driving: dual-track strategy with battery and hydrogen
We began developing alternative drive technologies early on and already offer an extensive fleet of CO_2e-free vehicles in operation in various markets around the world. In the 2024 reporting year, we sold eleven series-ready truck and bus models that are CO_2e-free in operation in our core markets of Europe, North America and Japan. Our product-related highlights in the 2024 reporting year can be found in chapter Important Events.

When it comes to the decarbonization of freight and passenger transport, we are relying on two complementary technologies to supply energy to the drive: battery-electric and hydrogen-based. In the case of hydrogen, we have been pursuing hydrogen combustion engines in addition to fuel cells since 2023 as a complement to the battery-electric drive technology. In this way, we aim to increase customer benefits and strive toward our goal of a CO_2e-free product portfolio in operation. In the short term, we are counting on the legal support for the hydrogen combustion engine to be adopted in the core markets of Europe, North America and Japan.

With this dual-track strategy, we want to contribute to the goal of locally CO_2e-free freight transport and locally CO_2e-free passenger transport on the roads by 2050. Further information is available at www.daimlertruck.com/en/innovation/powertrain.

Our policies
At Daimler Truck, various policies apply with regard to material climate protection and climate change adaption-related impacts, risks, and opportunities. In particular, these include our Daimler Truck Code of Conduct (for details, see chapter General information), the Business Partner Standards (for details, see chapter Cooperation with Business Partners), the Daimler Truck Special Terms relating to contractual conditions with our suppliers (for details, see chapter Governance), as well as the Corporate Environmental Protection Policy.

B.32

Corporate Environmental Protection Policy

Category	Description
Most important content	For Daimler Truck, environmental protection means being active in the following areas: climate protection, climate change adaptation, resource preservation, energy efficiency, prevention of environmental pollution, water, waste, energy, and hazardous substances management. Contribution to the circular economy and biodiversity is also of importance to the Group. This policy contains the environmental guidelines as an expression of the environmental policy of the Daimler Truck Group and forms the framework for the environmental and energy management systems: 1. We face future challenges in the environmental sector head-on 2. We develop products that are environmentally friendly throughout their entire life cycle and contribute to sustainable transport 3. We continuously reduce the environmental impact of our operations and strive for clean and environmentally friendly production 4. We offer our customers comprehensive service and information on the environmental life cycle of our products 5. We aim to provide exemplary environmental performance worldwide 6. We provide our employees and stakeholders with comprehensive information about our environmental performance and specific commitments
General objectives	The aim of the Group-wide policy is to provide a foundation for Daimler Truck Group's environmental protection and principles of action. In this context, environmental protection and the pursuit of greenhouse gas emission neutrality are an integral part of the corporate strategy, which is aimed at long-term value creation. The goal of enabling locally CO_2e-free transport on the roads includes careful handling of natural resources.
Reference to material impacts, risks, or opportunities	Our Corporate Environmental Protection Policy contains guidelines on the material impacts, risks, and opportunities related to climate protection and climate change adaptation, as described in ↗ B.30.
Monitoring process	Compliance with environmental guidelines at production sites is monitored within the framework of our existing environmental and energy management systems, including ISO 14001/ ISO 50001, EMAS, and environmental risk audits.
Scope	The policy applies to all employees and managing body members of Daimler Truck Holding AG, as well as all controlled Group companies.
Responsible organizational level	Our environmental policy, including the guidelines, must be applied by all employees of the Daimler Truck Group and at all of the Group's locations. Managers at all levels bear particular responsibility in this regard.
Reference to third-party initiatives	Based on the Company-wide environmental guidelines, Daimler Truck requires its production sites worldwide to implement management systems certified according to ISO 14001 and ISO 50001. ISO stands for the International Organization for Standardization, whose standards help companies to implement uniform and recognized practices worldwide. In addition, our sites in Germany are required to be certified according to EMAS.
Consideration of the interests of stakeholders	The interests of the Group's employees, customers, suppliers, contractual partners, associations and authorities, public initiatives, other stakeholders, and the public are taken into account in the policy.
Availability of the policy for stakeholders	All Group policies are published in the internal Uniform Regulations Database (ERD) on the Daimler Truck Social Intranet. The environmental guidelines are also made available on the Group's public website.

Targets

CO_2e reduction targets in production
We strive for resource-efficient and climate-friendly production, which is supported by our “green production 2030” initiative. This initiative aims to reduce CO_2e emissions, increase the use of renewable energy and improve energy and water efficiency. We are also committed to reduce waste at our production sites. These targets are directly related to our Corporate Environmental Protection Policy (see table ↗ **B.32**).

As part of the “green production 2030” initiative, we have set reduction targets for Scope 1 and Scope 2 CO_2e emissions that apply to all of Daimler Truck Group’s own production sites. In addition to CO_2 emissions, emissions of CH_4 (methane) and N_2O (dinitrogen monoxide) are also taken into account.

When the Board of Management adopted the targets in 2022, the most recent figures available were used, which did not convey a significant impact from the COVID-19 pandemic. Overall, there have been no significant changes to our production sites since the base year, which is why we believe that the base year value continues to be a representative basis for our objectives, activities and external influences. On this basis, we can set well-founded reduction targets. All targets of the “green production 2030” initiative were developed and agreed upon together with the environmental and energy expert teams of the production plants. Specific scientific frameworks were not taken into account when setting the targets and accordingly they were not validated against a scientific path.

We have set ourselves a Group-wide target for reducing CO_2e emissions:

> The **Scope 1** and **Scope 2** emissions of all production sites of the Daimler Truck Group are to be reduced by **42%** by 2030 compared to 2021 values.[1]

This corresponds to a reduction from 878 ktCO_2e to 509 ktCO_2e. Currently, our combined Scope 1 and Scope 2 target covers 90% of our Group-wide Scope 1 and Scope 2 emissions in the reporting year. There is no deviation with regard to the greenhouse gases taken into account. Based on our strategic objectives, we assume that the distribution in 2030 according to the market-based approach will be 90% Scope 1 and 10% Scope 2. In the base year 2021, the distribution was approximately 44% Scope 1 and 56% Scope 2.

Setting climate targets enables the development of a reduction pathway that is consistent with global climate targets. These pathways include specific actions and targets needed to reduce emissions in the transport sector and limit global warming. The most important levers for achieving our CO_2e reduction targets are the use of renewable energy and the reduction of energy consumption (through energy efficiency).

Offsetting of remaining CO_2e emissions in production
Based on our CO_2e reduction targets, we strive to continuously reduce emissions in our production processes. In addition, we are currently focusing on offsetting the remaining CO_2e emissions. For our European production sites and some other sites, we are already offsetting all remaining CO_2e emissions through qualified climate protection projects.

From 2025, the production sites in India and Japan are expected to achieve CO_2e neutrality on the balance sheet. We are also aiming to achieve CO_2e neutrality on the balance sheet in the USA. By 2039, all production sites worldwide should be carbon-neutral on the balance sheet.

Decarbonization along our supply chain: Decarbonization targets for Scope 3 emissions
In addition to our objective of minimizing direct emissions that we can control (Scope 1 and 2), Daimler Truck also aims to reduce Scope 3 emissions. We focus particularly on the emissions that arise from the use of our vehicles by customers.

For this reason, the restructuring of our portfolio is already in full swing. In the future, we will gradually expand our product portfolio in the operation of CO_2e-free truck and buses. In this context, Daimler Truck is working to derive clear and realistic targets for the reduction of Scope 3 emissions. Various factors on which the Scope 3 emissions of our vehicles depend play a role in the development of these strategic decarbonization targets. These include sufficient availability of “green” energy (green power and hydrogen), the necessary charging and refueling infrastructure and the total costs of the vehicle for our customers over its entire useful life – and thus also the acceptance of these vehicles by customers. Dynamic market conditions and legal regulations also have a major influence on the market success of operation CO_2e-free vehicles. These factors are beyond the immediate sphere of influence of our Company and therefore make it difficult to reliably outlook future developments and to set realistic objectives.

By defining Scope 3 reduction targets as part of our future Climate Transition Plan, we want to demonstrate our long-term vision for a transformation of freight and passenger transport is consistent with our commitment to a low-carbon economy.

1 This corresponds to the objective of the Green Production Target House, which includes our production sites as well as selected test tracks and R&D sites. We include all “completely built-up” (CBU), “completely knocked down” (CKD) and remanufacturing sites (Reman) under production sites. These emissions targets differ from the scope of the emissions table (↗ **B.36**) in that the target is set for the production sites.

Further sustainability targets for our production
We have also set ourselves a target for energy efficiency as part of the “green production 2030” initiative (see figure ↗ B.33). By 2030, we aim to reduce production-related energy consumption by around 590 GWh by improving our energy efficiency. This reduction target is based on a model that uses the average energy consumption for 2013/2014 (3,861 GWh) and the expected production volumes. For this purpose, specific target values were calculated for each of our production plants. This target contributes to our energy reduction strategy but does not yet fully meet the ESRS requirements.

To achieve the target, a large number of efficiency measures are required, which we are continuously implementing and whose annual effects we document in our Company's own green production database. In 2030, the sum of all effects is expected to achieve an annual reduction of around 590 GWh. This reduction is determined according to a level logic, with the base value being set as the zero line (0 GWh).

Furthermore, by implementing these measures, we are pursuing the goal of reducing energy consumption per vehicle by 16% by 2030, also based on the average for 2013/2014.

In addition, by 2030, at least 55% of the energy we use should come from renewable sources. These goals are directly related to our corporate environmental protection policy (see table ↗ B.32). We strive to invest in climate-friendly technologies and projects worldwide in order to comply with national and international climate targets. From 2025, all production sites in Japan and India are aimed to be supplied with green power. We also aim to convert our production sites in the USA to green power. All other production sites should follow by 2030 at the latest.

In order to track the targets and the progress towards achieving them, the green production database was introduced, in which expert teams from our production sites worldwide enter efficiency and reduction actions. We use this database to document the implementation progress and create roadmaps for each production site to manage the achievement of the targets.

B.33
green production 2030

green production 2030			
	CO_2e Scope 1 + 2	Renewable Energies	Energy Efficiency
Baseline	2021	2021	2013/2014
Daimler Truck	**- 42 %** ~- 509 kt CO_2e	**> 55 %** 100 % green power > 5 % generation	**~- 590 GWh** - 16 % per vehicle

All segments are working on further energy efficiency actions to achieve the set targets by 2030. In addition, we aim to define further objectives to address the identified material impacts, risks and opportunities.

Actions and results

Our climate protection and climate change adaptation actions focus on the three areas Product development, Supply chain and Production.

In addition, we are continuously developing new management-related actions to promote climate protection and climate change adaptation. We aim to allocate sufficient financial, human, and technological resources to achieve our climate targets. The allocation of these resources is regularly reviewed and adjusted. External factors such as market conditions and regulatory requirements can also influence the availability and allocation of resources.

We are currently working on a Climate Transition Plan (CTP) for Daimler Truck that which takes into account short- and long-term climate risks and opportunities. In addition to Scope 1 and 2, it also includes strategic decarbonization targets for Scope 3 emissions. In doing so, we take into account climate-related disclosure requirements based on the European Sustainability Reporting Standard of EFRAG (ESRS E1). We plan to adopt the CTP in 2027.

Development of a climate policy
We are currently developing a comprehensive climate policy in addition to and to be integrated in our existing Corporate Environmental Protection Policy. The policy aims to contain key concepts and strategic measures that promote the implementation of sustainable activities and contribute to reducing CO_2e emissions. The policy is being developed in connection with the planned Daimler Truck CTP.

Our product portfolio: climate protection through innovative products

E-mobility is a decisive factor for the future transport. As one of today's technology leaders, we want to shape the logistics and passenger transport of tomorrow through electrified solutions that benefit customers and the environment equally.

A key step in our commitment to climate protection was the start of series production launch of the Mercedes-Benz eActros 600 this financial year. With this heavy duty electric truck, we aim to set new standards in road freight transport – particularly in the areas of technology, sustainability, design, and profitability for electric fleet operators. Thanks to a battery capacity of over 600 kilowatt hours and a new, particularly efficient electric drive axle developed in-house, the eActros 600 offers a driving range of 500 kilometers without intermediate charging.[1] We also want to make an important contribution to urban public transport with the Mercedes-Benz eCitaro, our battery-electric city bus. It combines the proven Citaro technology with innovative e-mobility solutions. With the current NMC3 battery generation, the eCitaro has a driving range of up to 400 km for high transport capacity with advanced assistance systems.[2]

1 The eActros 600 has three battery packs, each with 207 kWh. These offer a total installed capacity of 621 kWh. The nominal capacity of a new battery is based on internally defined framework conditions. This can vary depending on the application and ambient conditions. The driving range was determined internally under specific test conditions, after preconditioning with a 4x2 semi-trailer tractor with a total train weight of 40 t at an outside temperature of 20 °C in long-distance transport and can deviate from the values determined in accordance with Regulation (EU) 2017/2400.
2 The fully electric bus was subject to functional tests at temperatures of less than -15 °C in the Arctic Circle and at more than 30 °C in the summer heat of Spain.

B.34

Battery-electric and hydrogen-based vehicle product portfolio

Thomas Built Buses Saf-T-Liner C2 Jouley | RIZON | Freightliner CustomChassis eWalk-in Van | Freightliner eCascadia | Mercedes-Benz eActros 600 | Mercedes-Benz GenH2 Truck | Mercedes-Benz eActros | Mercedes-Benz eCitaro | Mercedes-Benz eEconic | Freightliner eM2 | Mercedes-Benz fully electric bus chassis eO500U | FUSO eCanter; Next Generation in 2023

These technologies offer drivers a high level of safety and comfort, while passengers benefit from low noise levels and barrier-free access. For local public transport, which requires particularly long daily ranges without charging en route, we offer our customers the eCitaro fuel cell. Equipped with the innovative NMC3 battery technology, it enables ranges of up to 600 km[3].

3 The driving range was determined internally under specific conditions, including equipment with maximum battery capacity and H2 capacity, battery in delivery state, in typical city bus operation and moderate weather scenarios and can deviate from the values determined in accordance with Regulation (EU) 2017/2400. The actual driving range depends on the individual vehicle use, the vehicle configuration and other external factors. The actual driving range can therefore be below or above the stated value.

Product development

In the area of product development, we are taking action particularly around technological components and infrastructure.

Battery development

Batteries are a key component of e-mobility. We have experts from various disciplines working on all aspects of this storage technology – from fundamental research to production readiness. We have been investing in resource-efficient technologies and manufacturing processes for high-performance batteries for years and are continuously working to optimize lithium-ion batteries. Depending on the application, we continue to use different cell technologies in our trucks and buses and are constantly monitoring the market. Where possible and sensible, we aim to avoid use of the critical raw material nickel and cobalt in our next-generation batteries, rather replacing them with lithium iron phosphate (LFP). This improves supply chain security and robustness through greater raw material availability and enables a longer service life thanks to slower aging.

At the same time, LFP batteries offer greater safety in the vehicle thanks to their thermal and chemical stability. We are already using LFP batteries, particularly in our heavy duty electric trucks such as the eActros 600. In the future, production will be carried out in cooperation with an external partner and, due to high volumes, will be localized in Europe and in North America, which will further optimize the economic efficiency of delivery traffic. Through the joint venture, Amplify Cell Technologies LLC - in cooperation with Accelera from Cummins Inc., PACCAR, and EVE Energy - we are setting the next milestone in the production of (LFP) battery cells. Our Company has set itself the goal of offering our customers cost-effective, battery-electric drives.

The Battery Technology Center in Mannheim, Baden-Württemberg, which opened in the reporting year, plays a crucial role in the transformation towards locally CO_2e-free transport solutions. Products and processes for the battery generations of future battery-electric commercial vehicles are developed and assembled there. The center is divided into two areas: Prototypes for the future vehicles are built on the pack pilot line. Development and production work closely together here to achieve series maturity and improve the production processes for the upcoming series production in Mannheim. In the cell area, product and process knowledge about the manufacture of battery cells is currently being collected and the cells are analyzed in the Company's own laboratory. The experience gained with regard to battery production and assembly is being incorporated into the preparation for series production of the next generation of batteries.

Technology Center

Our two InnoLabs were founded in Germany between October 2021 and April 2022. The InnoLab "Battery" is located at the Mannheim plant in Baden-Württemberg, the InnoLab "eDrive" at the Gaggenau plant in Baden-Württemberg and Kassel in Hessen, with a development area in Untertürkheim in Baden-Württemberg. These competence centers focus on battery technologies and high-voltage systems, electric drive components as well as hydrogen-based fuel cell units and electric drive systems. The aim is to test new technologies and to develop and evaluate the corresponding products and processes - always with special attention to our environment. Here, sustainability begins during the design phase, for example through targeted, lower CO_2e material selection.

By renaming our InnoLabs to “Battery Technology Center” and “eDrive & Components Technology Center” in 2024, we aim to highlight our further developed activities in the area of future topics and transformation. Progress has already been made in the current financial year, including the creation of specific concepts, the formation of teams, the conversion and expansion of buildings and the commissioning of the first machines and systems.

In July 2024, another milestone was reached: The technical center at the Mercedes-Benz Gaggenau plant began operations, allowing the plant to continue its path of building up expertise for process development and prototype construction of “truck-e-fied” electric motors.

CO_2e reduction and efficiency increase through digital products

We offer a comprehensive portfolio of digital services to reduce the fuel consumption of diesel trucks. These services help to optimize fuel consumption, reduce vehicle wear and tear, and reduce the risk of accidents. They also provide detailed information on drivers´ driving behavior and CO_2e emissions and help fleet managers and drivers use the vehicles as efficiently as possible. Applications include driving style assessment, driver coaching, and CO_2e reports.

In addition, special e-services such as the Fleetboard “Charge Management” and the planned Fleetboard “BEV (Battery Electric Vehicle) Basic Deployment Analysis” facilitate the transition to battery-electric and hydrogen-powered vehicles. These e-services enable our customers to control the interaction between the eTruck and the Company’s own charging infrastructure and to gain a better understanding of energy consumption. Other services support route planning, provide insights into vehicle usage, and thus make deployment planning easier for fleet customers.

Promoting the expansion of the necessary infrastructure

Not only are we working on bringing new vehicles onto the market that are CO_2e-free when in operation, but we are also focusing on accelerating the development of available infrastructure for our customers in order to operate these vehicles efficiently. For example, the e-mobility ecosystem of Daimler Buses GmbH consists of various interacting components. These include infrastructure solutions for charging electric buses and a functioning hydrogen supply. Charging and depot management systems are also integrated into the system network for efficient energy use. The aim is to offer our customers a sustainable and cost-optimized solution for electric bus fleets. These eSystem solutions are already actively offered throughout Europe. With the founding of Daimler Buses Solutions GmbH in the last financial year, a further step was taken to offer an integrated solution of vehicles and infrastructure from a single source. Our facility in Redford, USA, continues to build a multi-function charging park for trucks and cars to support our customers in their transition to vehicles with alternative drive technologies.

In the reporting year, we launched the new TruckCharge brand at the International Motor Show (IAA), which offers charging solutions from a single source to support customers on their way to sustainable mobility in terms of infrastructure. Under TruckCharge, we bundle our existing and future offers relating to e-infrastructure and the charging of electric trucks: consulting, infrastructure, and operation. The offer is available in Europe, regardless of brand, and includes:

- Consulting, for example on depot electrification, especially for industrial companies in the transport sector
- Infrastructure and qualified partners for construction and commissioning
- Operation via additional digital services that enable optimal coordination between vehicles and infrastructure

We are a member of various partnership initiatives through which we aim to build a locally CO_2e-free transport environment in the future. These partnerships include suppliers and technology companies to develop our products, energy and systems companies to offer leading charging technologies, and fuel companies to improve the availability of liquid hydrogen at filling stations. Some of these partnerships have already led to projects that support our plan to drive the expansion of infrastructure and pave the way to locally CO_2-free mobility.

One example is our joint venture Milence with the TRATON Group and the Volvo Group to expand European charging infrastructure with high-performance charging stations for operators of battery-electric commercial vehicles. Similarly, with our joint venture Greenlane in the US market and together with NextEra Energy Resources and BlackRock Renewable Power, we are pursuing the development of a nationwide charging network for battery-electric and hydrogen-powered fuel cell vehicles. We are also promoting partnerships in Europe to expand hydrogen infrastructure.

In order to achieve TCO (total cost of ownership, i.e., total operating costs over a useful life) parity between a battery-electric and a diesel truck and to reduce costs, we use economies of scale, partnerships, and build up our own know-how on differentiating technologies. In order to enable locally CO_2e-free transport, more than only CO_2e-free vehicles during operation are needed. Rather, success is based on the synergy of three factors: CO_2e-free vehicles during operation, a green energy infrastructure for battery and hydrogen vehicles, and cost parity with conventional vehicles, for example through CO_2 pricing, CO_2-based tolls, and subsidies.

Supply chain

Our supply chain actions relate to our supplier business partners, to purchased parts and materials, and to transport routes to our production facilities.

CO_2e reduction along our supply chain

As part of our operational purchasing processes for production materials, we use standardized sustainability assessments such as the Sustainability Assessment Questionnaire (SAQ) as a verification tool for compliance with our environmental standards. To create transparency about our suppliers' decarbonization strategies and CO_2e reduction targets, we use the CDP questionnaire. The CDP supply chain questionnaire collects data on suppliers' emissions and environmental practices, providing a clear overview of indirect emissions. With detailed emissions data, we can identify the areas in our supply chain that are most affected and set priorities for decarbonization. We also use the questionnaire data to compare our suppliers with other companies in the industry, tracking improvements from year to year. This helps to further reduce emissions and also strengthens resilience and competitiveness. This process is designed to encourage suppliers to continuously improve their efforts to reduce CO_2e emissions. Suppliers' CO_2e footprint is increasingly becoming a criterion in purchasing decisions. We want transparency about the CO_2e balance of the products supplied to us.

In addition to battery production, the main driver of greenhouse gas emissions are the production of raw materials such as steel, aluminum, and plastics. In the future, emissions from materials will be given greater consideration in new projects and public procurement decisions. To promote the procurement of sustainable production materials, we will systematically integrate relevant key figures such as CO_2e emissions into business processes in order to advance CO_2e neutrality.

The exchange of information both within and outside our Company plays an important role in the successful implementation of actions for an environmentally friendly supply chain. For example, in the production material purchasing department, we train buyers on the sustainability requirements for suppliers.

Inbound logistics

We are driving the transformation of the transport industry toward locally CO_2e-free operation and are also relying on electric trucks in our own supply chain. We have the goal of fully electrifying delivery traffic to the Wörth plant in Rhineland-Palatinate, our largest assembly plant, by the end of 2026. A significant part of our direct supply chain can will become CO_2e-free during operation. As part of this effort, we are building our own charging infrastructure in Wörth, in the Mannheim and Gaggenau assembly plants in Baden-Württemberg, and in Kassel in Hessen, which will be available to both suppliers and the Company's own vehicles. At the beginning of the second quarter of 2024, 11% of entries into the Wörth plant were already electric; by the period end, the electrically powered Mercedes-Benz eActros 300 semi-trailer tractor was used for 20% of entries. As the project progresses, the eActros 600 should also cover longer transport distances; an eActros 600 test vehicle has already been transporting e-axles from the sister plant in Kassel, Hessen, to Wörth, Rhineland-Palatinate, since September 2024. We are thus demonstrating the broad range of applications of the two e-truck models under realistic conditions in the Company's own transport traffic.

The core of our concept for battery-electric, long-haul transport is to offer customers a holistic transport solution comprising vehicle technology, advice, charging infrastructure, and services. In order to develop a targeted concept for locally CO_2e-free delivery logistics in operation for the Daimler Truck plants together with the freight forwarders, the first step is an individual analysis of the usual routes. This provides information about travel times and distances between delivery locations, charging options, and individual driving range. Customers also receive support in integrating electric trucks into existing fleets and in reorienting their logistics centers, including advice on setting up appropriate in-house charging infrastructure.

An integral part of our inbound logistics concept for CO_2e-free delivery traffic during operation is the development of our own charging infrastructure. The charging stations will be installed at key locations for delivery traffic in the immediate vicinity of production in the German Daimler Truck plants.

While the parts installed in production are delivered just in time to the assembly line and the cargo of the electric truck is unloaded, the vehicle is recharged at the factory's own charging stations. Ideally, this means that the vehicle does not have to plan for any further downtime and can resume its route immediately after the parts have been delivered. Most of the charging infrastructure required in Wörth, including the charging stations in the unloading areas and a charging park in front of the factory entrance, was built in 2023 and 2024. In addition to the charging infrastructure in the plants, the aggregate plants are also setting up charging options at their external logistics centers in order to be able to convert the delivery and collection traffic to electrified vehicles. In addition, the possibility of bundling and thus optimizing the delivery flows in the transport network for the Wörth, Mannheim, and Gaggenau plants in a new consolidation center near the Wörth site is being examined.

Transparency about the CO_2e emissions of our transports
In addition to these specific CO_2e reduction measures, we are increasing transparency around the CO_2e emissions of our transports. For the production sites in Europe, we use a calculation tool to show the CO_2e emissions based on real transport data and thus measure the effect of optimization measures or, for example, the use of electric trucks. The calculation logic was certified by the Smart Freight Center in 2023 and complies with the standard of the Global Logistics Emissions Council (GLEC). In 2024, we rolled out this calculation tool globally in order to record the CO_2e emissions of global transports in a standardized manner. With the development of the data model for the organizational units Daimler Truck North America (DTNA), Daimler India Commercial Vehicles (DICV), and Mitsubishi Fuso Truck and Bus Corporation (MFTBC), we now have a nearly complete picture of the transport of production materials. By 2025, the last gaps are aimed to be closed, for example at Mercedes-Benz do Brazil, the annual data update is to be carried out, and the GLEC certification is to be expanded to include the new scope.

Production

Our measures in the area of production relate primarily to our production sites, but also to other locations such as office locations without production activities.

Climate protection and energy efficiency in production
To reduce CO_2e emissions in our production, we primarily rely on three types of reduction actions: energy efficiency actions, use of renewable energy, and technological actions. We continuously evaluate the regional energy markets in order to expand the supply of green electricity at all locations. In addition to purchasing green power, we are steadily driving forward the in-house generation of energy at our production sites. Since the beginning of 2022, the majority of our production sites in Europe have been supplied with green power from wind turbines, photovoltaic systems, and hydroelectric power plants. For the German production sites, including our headquarters, it was contractually agreed upon with the supplier that the generation volume be identical to the electricity consumption every quarter hour. This is monitored through regular TÜV certification. Other locations in the USA, Brazil, South Africa, Japan, and India have partially switched to green electricity supply.

We also rely on photovoltaics for energy generation. This financial year, for example, a 13.5 MWp open-space photovoltaic system was built on the Atlantis site near Cape Town, South Africa, in cooperation with an investor. This system avoids around 20,000 t of CO_2e annually.

Around 40.6 MWp of photovoltaic modules are already installed worldwide. With these, we have generated 35.7 GWh in 2024.

We regularly check the availability of renewable energy at all locations and use them where market conditions allow.

Daimler Truck, EnBW, and the city of Wörth am Rhein, Germany founded the joint venture WärmeWerk Wörth GmbH in 2023 to investigate the energy supply of the Mercedes-Benz production plant in Wörth and the city of Wörth am Rhein using geothermal energy. The aim is to determine the feasibility of geothermal energy for the plant and, if necessary, to build and operate a geothermal plant for heat generation. Generating energy from geothermal energy offers the Wörth plant the opportunity to leverage a renewable energy source in the immediate vicinity for sustainable truck production. A suitable site will be selected in 2025, followed by tests and development in 2026 and 2027. If the exploration is successful, the geothermal heating plant is to be built in 2028 and connected to the heating network and put into operation in 2029.
As part of the “green production 2030” initiative, the following actions were successfully completed in the reporting year[1]:

- Kawasaki plant, Japan: Installation of an additional large heat pump that can be operated significantly more efficiently than previous systems. This will save around 3,700 MWh of energy and around 700 t of CO_2e per year.
- Wörth plant, Germany: Optimization of the ventilation systems, including the installation of a heat recovery system. Energy consumption can be reduced by around 2,700 MWh and CO_2e emissions by 460 t.
- Aksaray plant, Türkiye: Renewal of the building control system for heating, ventilation, and air conditioning as well as optimization of the set parameters. This leads to an annual energy saving of around 1,300 MWh and a CO_2e reduction of around 230 t.

Further actions have been implemented at numerous production sites. With the help of the green production database and internal expert groups, we exchange information on efficiency actions across plants and assess whether they can be implemented at all of our production sites.

1 Due to the completion of the actions during the year, the full, stated savings potential could not yet be achieved in 2024.

In the reporting year, we made investments (CapEx) of €725 million and operating expenditure for research and development (OpEx) of €1,277 million for projects related to the measures described for product development, supply chain and production and leading to a direct and indirect reduction in greenhouse gas emissions. These are reflected in the following items in the financial statements:

- Research and development costs
- Additions to tangible assets
- Additions to intangible assets

Parts of these investments and operating expenditure are included in the EU taxonomy key figures on investments (CapEx) and operating expenditure (OpEx). In addition, we are planning further investments as part of the CapEx plan and operating expenditure as part of the OpEx plan of the EU taxonomy that are related to the measures described. Further information on the EU taxonomy data can be found in chapter EU taxonomy.

Energy consumption and energy mix
Energy and environmental data are recorded by the sites in our environmental data system. Where actual values were not yet available in January 2025, estimates were made based on the previous year's values and the change in production. We report measured values for the energy consumption of the production sites[1]. For the sites with low energy consumption (all non-production sites), values were extrapolated based on the number of employees (headcount) and included in the value for the entire group.
The extrapolation for the administrative sites is based on the measured values of our site in Leinfelden-Echterdingen, Baden-Württemberg. The values for our sales sites were extrapolated based on the measurement data from our German sales offices. We use the German electricity mix as a basis for these extrapolations.

We currently obtain 70% of our electricity and 12% of our district heating from renewable energy sources. Throughout the financial year, we produced 35,747 MWh of renewable energy and 503,026 MWh of non-renewable energy. Our energy consumption is presented in table ↗ **B.35**.

For further information on the generally applied sustainability consolidation scope, please refer to chapter General information. In addition, the explanations on the operational control approach that are given for CO_2e emissions apply.

1 Under production sites we include all “completely built-up” (CBU), “completely knocked down” (CKD) and remanufacturing sites as well as selected test tracks and R&D sites.

B.35

Energy consumption and energy mix

	2024		
	MWh		%
	Measured values (production sites)	Entire Group	Entire Group
(1) Fuel consumption from coal and coal products[1]	13,219	13,219	
(2) Fuel consumption from crude oil and petroleum products including LPG	292,735	348,266	
(3) Fuel consumption from natural gas	1,348,412	1,477,469	
(4) Fuel consumption from other fossil sources[2]	1,183	1,183	
(5) Consumption from purchased or acquired electricity, heat, steam, or cooling from fossil sources	408,365	444,096	
(6) Consumption from fossil sources and share of total energy consumption (sum of lines 1 to 5)	2,063,914	2,284,233	68.3
(7) Consumption from nuclear sources and share of total energy consumption	72,479	76,151	2.3
(8) Fuel consumption from renewable sources including biomass (also comprising industrial and municipal waste of biologic origin, biofuels, biogas, hydrogen from renewable sources, etc.)[3]	0	0	
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	913,142	947,191	
(10) Consumption of self-generated non-fuel renewable energy[4]	35,004	35,004	
(11) Total energy consumption from renewable sources and share of total energy consumption (sum of lines 8 to 10)	948,146	982,195	29.4
Total energy consumption (sum of lines 6, 7 and 11)	3,084,539	3,342,579	100

1 No extrapolation: coke is only consumed at one production site.
2 No extrapolation: Grey hydrogen is only consumed at two production sites.
3 Not relevant for non-production sites.
4 No extrapolation: It is conservatively assumed that no renewable energy generation takes place at non-production sites.

Energy intensity
To determine the energy intensity in climate-intensive sectors, we used the NACE codes C (manufacturing) and G (trade; maintenance and repair of motor vehicles). We mainly operate in these sectors.[1] Our net sales from activities in climate-intensive sectors can be found in the item revenue according to IFRS 15 of the Daimler Truck Group in the Consolidated Financial Statements. In the reporting year, the energy intensity in climate-intensive sectors amounted to 66 MWh/ million €.[2]

CO_2e emissions
We calculate and disclose our Company's gross Scope 1, 2, and 3 emissions. When reporting emissions, we apply the financial and operational control limit (financial control approach supplemented by the operational control approach) as defined by the ESRS and GHG Protocol standard for these purposes. For Scope 1 and 2 emissions, this means that we take into account not only companies over which we have financial control, but also companies that are not fully consolidated in the annual financial statements but over which we have operational control. In the reporting year, no companies were identified that would need to be included in the emissions reporting due to operational control. Scope 3 emissions take into account the emissions of other actors in the upstream and downstream value chain.

Of particular note are the material Scope 3 categories, which were identified based on the magnitude of their estimated greenhouse gas emissions and the criteria of the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. These categories include emissions from purchased goods and services (3.1) and the use of products sold (3.11).

Our market-based CO_2e intensity is 7,191 t CO_2e / million € (Location-based 7,197 t CO_2e / million €). To calculate the intensity, we use the item revenue in the Consolidated Financial Statements and the total value of our CO_2e emissions (↗ **B.36**). In addition, we have calculated our biogenic CO_2e emissions that are not included in Scope 1, Scope 2 and Scope 3. Biogenic emissions in Scope 1 and Scope 2 (diesel, gasoline and district heating) amounted to 8,847 t CO_2e in the reporting year. We assume that no significant biogenic emissions arise from our electricity purchases. Biogenic emissions in Scope 3 (from the use of products sold) amounted to 2,561,018 t CO_2e in the reporting year.

1 This does not include the activities of our entire Group. In particular, the activities of our Daimler Truck Financial Services (DTFS) segment are excluded here.
2 The energy consumption used for the calculation is made up of the energy consumption of the production sites and other sites in the areas of manufacturing, wholesale and retail and vehicle repair. The energy consumption for these other locations was extrapolated and included based on the number of employees. The extrapolated energy consumption of the DTFS segment was explicitly not included. The extrapolation methodology was described in detail in table ↗ **B.35**.

B.36

Total CO_2e emissions

	Historic			Interim milestones and target years		
in 1,000 t CO_2e	2021 (base year)[1]	2024		% 2024/2021	2030	Annual % of target / base year
	Measured values (production sites)	Measured values (production sites)	Entire Group[2]	Measured values (production sites)	Measured values (production sites)	Average annual reduction
Total Scope 1 and Scope 2 emissions	878	568	630	-35.3	509	-4.7
Scope 1 greenhouse gas emissions (GHG)						
Scope 1 GHG gross emissions[3]		349	389			
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (in %)		26.0	23.4			
Scope 2 greenhouse gas emissions						
Scope 2, location-based		514	536			
Scope 2, market-based[4]		219	241			
Significant scope 3 greenhouse gas emissions						
Total Gross significant indirect Scope 3 GHG emissions			388,247			
Scope 3.1 Purchased goods and services			19,429			
Scope 3.11 Use of sold products			368,818			
Total GHG emissions						
Total GHG emissions (location-based)			389,172			
Total GHG emissions (market-based)			388,877			

1 The figures for our base year refer only to our production sites. No extrapolations were made for the entire Group.

2 The values for Scope 1 and 2 GHG emissions consist of the emissions of the production sites and extrapolations from non-production sites with low emissions. These extrapolated emissions were calculated based on the sites' extrapolated energy consumption. For details our energy consumption, see ↗ B.35.

3 Of our Scope 1 emissions, 382,021 t CO_2e are attributable to the consolidated accounting Group and 6,979 t CO_2e to the two unconsolidated companies.

4 Of our Scope 2 emissions, 236,917 t CO_2e are attributable to the consolidated accounting Group and 4,083 t CO_2e to the two unconsolidated companies.

CO_2e calculation methods
The calculations and methods used to determine our emissions are based on the European Sustainability Reporting Standards (ESRS), taking into account the requirements of the GHG Protocol Standards. Since reporting year 2023, our emissions have been reported in CO_2 equivalents (CO_2e). This means that in addition to CO_2 emissions, emissions of CH_4 (methane) and N_2O (nitrous oxide) are also taken into account. In this reporting year, we are reporting on Scope 3 emissions for the first time. We thus document direct CO_2e emissions from the Company's own emission sources (Scope 1), indirect emissions from the generation of purchased electricity and district heating (Scope 2), as well as other indirect emissions outside Scope 1 and Scope 2 that arise in the upstream and downstream value chain (Scope 3).

Calculation data for Scope 1 and Scope 2 emissions
We calculate our direct emissions from the combustion of fuels, fuel oil, natural gas, liquefied petroleum gas and coal using constant CO_2e emission factors from the Department for Energy Security and Net Zero (DESNZ, Version 2024) of the British government.

We calculate the indirect emissions from district heating and power from external generation based on time and region. The CO_2e balance is calculated using the market-based approach. To do this, we collect the CO_2e emission factors of the local electricity tariffs or electricity suppliers at our locations worldwide.

Where these are not available, the current average emission factor for power published by the International Energy Agency (IEA, Version 2022) for the respective country will continue to be used. For the USA, the Emissions & Generation Resource Integrated Database (eGRID, Version 2024) of the US Environmental Protection Agency (US EPA) is used in this context. In addition, data on CO_2e emission factors for district heating from the GaBi database (Version 2024) are used. The emission factors used are based on the Global Warming Potential from IPCC AR5 or AR6. For comparison purposes, we will also report CO_2e emissions according to the location-based method, which only includes the country-specific emission factors. In this context, the EIA emission factors (Version 2024) were used to determine the share of renewable and nuclear sources in the electricity supply.

Calculation data for Scope 3 emissions
We focus on Scope 3 emission categories that have been identified as material based on their share of total Scope 3 emissions and our Company's impact on emissions reduction. The Scope 3 categories we have identified as material each represent equal to or more than 5% of total Scope 3 emissions. Therefore, we focus on two Scope 3 emission categories out of the total 15 emission categories. These are category 3.1 (purchased goods and services) and 3.11 (use of products sold). The scope of category 3.11 also includes emissions from vehicles on operating leases to our customers. Together combined these two accounts for more than 95% of our total Scope 3 emission inventory. We also record emissions from leases under Scope 3. Further information on the calculations can be found in Table ↗ **B.37**.

We currently use secondary data to calculate our Scope 3 emissions. These are based on general industry standards, average values and published data sources that do not come directly from our suppliers or users. We have not yet integrated primary data that include specific, direct data from suppliers or vehicle users (e.g. life cycle impacts of purchased products and services as well as energy consumption and emissions during the use of our vehicles). Although secondary data allows us to estimate our emissions, we recognise that primary data is necessary for a more accurate and specific measurement. In order to increase the accuracy of our emissions calculations, we intend to gradually introduce a more precise data collection process. For this purpose, we plan, among other things, to ask large suppliers specifically about the emissions they have calculated.

B.37

Scope 3 categories and calculation

Scope 3 category	GHG calculation method	Assumptions	Emission factors
3.1 Purchased goods and services	Average value method for Purchased Goods (The raw material data used in the calculations is extracted from internal centralized database in tonnages, then multiplying with the relevant emission factors selected on the emission source and region).	The origin of the material is the location of the supplier.	An industry-specific licensed database (GaBi) was used as the source for the 2024 GHG emission factors based on AR6. All seven greenhouse gases are taken into account in the calculation.
	Spent-based Method for Purchased Services (The purchased services data used in the calculations is extracted from internal centralized database in Euro. The purchases are mapped and classified into GHG accounting families and classes which leads to emissions factor categories and multiplying by the relevant secondary emission factors).	Spent-based is not adjusted for inflation.	Datasets from DESNZ (Version 2024), EPA (Version 2024) and EXIOBASE (Version 2021) whose calculation of CO_2e is declared based on IPCC AR5 for three emissions CO_2, CH_4, N_2O were used for purchased services. HFCs, PFCs, SF6, NF3 are not included.
3.11 Use of sold products	Internal Combustion: the emission data is a result of multiplication of number of vehicles and their respective vehicle emission. The emission vehicle data is calculated as a multiplication of lifetime (years) and mileage (per vehicle class) with fuel efficiency (L/100km) and carbon intensity (gCO_2e/L of Diesel). The resulting value is Well-to-Wheel.	It was assumed to consider the efficiency of Diesel mix at filling station of operating region. Produced vehicles are sold within the same year therefore production volume for 2024 is used for the number of vehicles sold.	The GHG emission factors for both the production and consumption of diesel are obtained from the industry-specific licensed database (GaBi) as the source for the 2024 emission factors based on IPCC AR6. All seven greenhouse gases are taken into account in the calculation. These emission factors are based on the “diesel mix at the pump” applicable to the country/region where the product is used.
	Battery Electric: the emission data is a result of multiplication of number of vehicles and their respective vehicle emission. The emission vehicle data is calculated as a multiplication of lifetime (years) and mileage (per vehicle class) with fuel efficiency (kWh/km) and carbon intensity (gCO_2e/kWh). The resulting value is Well-to-Wheel.	Produced vehicles are sold within the same year therefore production volume for 2024 is used for the number of vehicles sold.	The GHG emission factors for both the production and consumption of electricity are obtained from the industry-specific licensed database (GaBi) as the source for the 2024 emission factors based on IPCC AR6. All seven greenhouse gases are taken into account in the calculation.

Use of contractual instruments to reduce Scope 2 emissions
For the market-based calculation of our Scope 2 emissions, we use contractual instruments for the sale and purchase of energy, of which 100% is bundled and 0% is unbundled with energy generation attributes.

To reduce our Scope 2 greenhouse gas emissions, we rely on various contractual instruments that promote the use of renewable energies. These include:

- Physical Green Power Purchase Agreements (PPA): Direct supply contracts for green power from renewable energy sources.
- Virtual/Financial Green PPAs: Contracts that provide financial incentives for the expansion of renewable energies without necessarily involving the physical flow of electricity.
- B2B supply contracts with electricity suppliers: Agreements with energy suppliers that are specifically geared towards the supply of green power.
- Electricity supply contracts in combination with green electricity certificates: Contracts that are supplemented by proof of origin (e.g., Renewable Energy Certificates) to prove the purchase of renewable energies.

These instruments enable us to specifically increase the share of renewable energies in our energy mix and make a significant contribution to reducing our Scope 2 emissions.

CO_2e compensation
Since 2022, we have been producing in a CO_2e-neutral manner at our production plants in Europe and at selected other locations. For the reporting year 2022, the remaining CO_2 emissions were offset; from the reporting year 2023, the compensation was expanded to include CO_2e. The use of offset certificates is planned as a transitional action towards CO_2e-free production. We focus on avoiding CO_2e emissions through the use of renewable energy and through energy reduction actions in all our production plants. In the 2024 reporting year, we also offset the remaining CO_2e emissions (Scopes 1 and 2) at European production sites and at some other locations through qualified climate protection projects. We have also publicly declared our production to be CO_2e neutral. All offset projects meet the high quality standards of the Gold Standard Foundation. The Gold Standard is the benchmark for climate and development interventions in order to quantify and certify their impact. These projects not only reduce CO_2e emissions, they also promote sustainable, social and ecological development in the project countries in many ways. When using projects with Gold Standard certification, we also carry out an independent external due diligence for each project.

Overall, all remaining CO_2e emissions from Scopes 1 and 2 were offset for the following sites in the listed segments:

- Trucks North America (TN): Portland, USA; Saltillo, Mexico
- Mercedes-Benz Trucks (MB): Molsheim, France; Stuttgart (incl. Leinfelden-Echterdingen, Untertürkheim and Brühl), Baden-Württemberg; Wörth, Rhineland-Palatinate
- Trucks Asia (TA): Tramagal, Portugal
- Daimler Buses (DB): Garcia, Mexico; Holysov, Czech Republic; Hosdere, Türkiye; Ligny, France; Mannheim, Baden-Württemberg; Neu-Ulm, Bavaria; Samano, Spain
- Segment-independent component plants: Gaggenau (including Rastatt and Bad Rotenfels plant), Baden-Württemberg; Kassel, Hesse; Mannheim, Baden-Württemberg

B.38
Cancelled CO_2 certificates

CO_2 certificates cancelled in the reporting year[1]	2024
Total (1,000 t CO_2e)	**246**
Share of extraction projects (in %)	0
Share of reduction projects (in %)	100
Of which Gold Standard (in %)	100
Share of projects within the EU (in %)	0
Share of CO_2 certificates that count as corresponding adjustment (in %)[2]	0

1 The deletion for the 2024 fiscal year was executed in February 2025.
2 In accordance with Article 6 of the Paris Convention.

Internal CO_2 pricing
We currently have no internal CO_2 pricing systems in place at Daimler Truck. However, we are investigating the implementation of an internal carbon price (ICP). In order to evaluate the potential impact of an ICP on various emission sources along our value chain, we have retrospectively analyzed the effectiveness of various price levels using select pilot projects. In addition, we are developing a methodology and a roadmap for the structural evaluation of abatement costs within our decision-making processes. This evaluation serves to achieve greater transparency around the selection of emission reduction measures and thus strengthens our decarbonization strategy.

Prevention of environmental pollution (ESRS E2)

Daimler Truck is working specifically to improve the environmental friendliness of its vehicles.

Material impacts, risks, and opportunities

In addition to the seven defined greenhouse gases described in the chapter Climate protection and climate change adaptation, our vehicles emit other air emissions. In connection with the topic of environmental pollution, we have identified the impact shown in table ↗ **B.39** in the downstream value chain or during the use phase of the vehicles as material: In view of the identified impacts, the focus for reporting is on reducing and, ideally, avoiding air pollution caused by our vehicles.

B.39

Material impacts, risks, and opportunities related to environmental pollution[1]

Category	Title	Description
Negative impact (VC)	**The air emissions caused by our vehicles can harm the environment and affect human health (S)**	Emissions such as particulate matter, nitrogen oxides (NOx), and volatile organic compounds caused by the combustion of fuels during the use phase of vehicles can cause environmental damage and contribute to health problems such as respiratory diseases.

1 Legend: (VC) Value chain; (S) Short-term time horizon.

Our organization and management approach

The ultimate responsibility for the prevention of environmental and air pollution lies with the Board of Management in its function as the Corporate Sustainability Board (CSB). In addition, there are Group-wide environmental and energy representatives as well as cross-departmental committees that define the strategic direction. Implementation in the operational units is carried out by management representatives in the individual segments, plants, and central functions. Further information can be found in chapter Climate protection and climate change adaptation.

Our strategy for preventing air pollution
Legislators around the world have adopted emissions standards to regulate the emission of hazardous substances such as nitrogen oxides or particulate matter and to reduce pollution. The emission limits described in these standards have become increasingly stricter in recent years.

Product development plays a key role in our efforts in the areas of climate protection and air pollution control: the impact of a vehicle on the environment – and thus also the CO_2e and pollutant emissions it causes – is largely decided in the early stages of development.

Policies
We define the environmental policies laid down in the Environmental Protection Directive as the basis of our environmental policy and are committed to an integrated improvement process with regard to environmental protection. With the help of the environmental policies, we strive for continuous improvement towards freedom from pollutants and emissions. In addition to the basic requirement of compliance with legal regulations, the proactive and continuous development of our products is also a priority. Further information can be found in chapter Climate protection and climate change adaptation.

Actions

With regard to reducing air emissions during the use phase, the actions and innovations in product development are crucial for us. Here, we focus on compliance with legal requirements and the transformation to alternative drive technologies. We have not set any further quantitative targets.

The corresponding actions relating to the product development of alternative drive technologies and the increase in efficiency of diesel trucks through digital products can be found in chapter Climate protection and climate change adaptation in the “Actions and Results” section.

In addition, we have established the Truck Regulations Compendium, which serves as a reference work for the most important global regulations on exhaust emissions, on-board diagnostics, connectivity, autonomous driving, electric drive, noise, safety, and diesel quality.

An important tool in testing the environmental impact of a vehicle is the documentation that accompanies the development process. In it, we define certain properties and target values for each vehicle model and each engine variant, for example for fuel consumption or pollutant emissions. We use these target values to assess our progress during product development and, if necessary, initiate corrective measures.

Resource efficiency and circular economy (ESRS E5)

We want to use natural resources carefully and thereby protect the environment and the climate. When developing our products, we therefore focus on the longest possible useful life and recyclability. In order to avoid waste, we are working on extending the service life of all vehicle components. We are also looking into recycling solutions for our high-voltage batteries.

Material impacts, risks, and opportunities

As the global economy grows and demand for goods and passenger transport increases, resource consumption is also increasing. This has an impact on the environment and society. Circular economy aims to use resources more efficiently, minimize waste, and close material cycles.

With regard to resource efficiency and circular economy, we have identified both positive and negative impacts as well as a risk: By reusing, recycling, other recovery processes, remanufacturing and repairing vehicles, components and materials, we can conserve valuable resources, reduce waste and extend the service life of products. On the other hand, compliance with recycling and reuse regulations, internal quality standards, and higher customer requirements also create new regulatory and operational challenges. The identified material impacts and the material risk affect our manufacturing segments. Waste is generated during production and at the end of the vehicles' life. The main resources used in production by weight are iron, steel and aluminum.

The following table ↗ B.40 shows the material impacts, risks, and opportunities related to resource efficiency and circular economy along our value chain.

B.40

Material impacts, risks, and opportunities related to resource efficiency and the circular economy[1]

Category	Title	Description
Positive impact (OO, VC)	**Increased resource efficiency promotes waste prevention and reduction (S)**	Resource preservation and waste prevention begin in vehicle development through the selection of durable, reusable, and recyclable materials. These materials, along with the vehicles and vehicle components made from them, are kept in the cycle for as long as possible by being reused, recycled, remanufactured, and repaired. This helps to conserve resources throughout the entire value chain and maximize the service life of vehicles.
Negative impact (OO, VC)	**The production of vehicles leads to a high consumption of raw materials such as iron, steel, aluminum and other materials (S)**	For the production of our vehicles, we use raw materials such as iron, steel and aluminum. The mining and extraction of these materials have an impact on the environment. In addition, high resource consumption leads to a reduction in the availability of these resources.
Risk (OO; VC)	**Non-compliance with circular economy regulations and requirements can lead to risks for our Company**	Failure to comply with circular economy regulations, internal quality standards and higher customer requirements can lead to financial and reputational risks.

1 Legend: (OO) Own operations; (VC) Value chain; (S) Short-term time horizon.

Our organization and management approach

The ultimate responsibility for resource efficiency and circular economy lies with the Board of Management (see figure ↗ B.31 in chapter Climate protection and climate change adaptation).

Resource preservation and circular economy are managed by our Center of Competence (CoC) Circular Economy and are a fundamental part of our strategy. We have also introduced a global and cross-divisional governance structure that actively works with Daimler Truck stakeholders to ensure that actions to support resource preservation and circular economy are consistently implemented in the working areas and segments.

The responsibility for implementing actions to reduce resource consumption and waste prevention lies with the areas of procurement, vehicle development, logistics, production planning, production, and sales as well as after-sales.

Our focus is on careful use of resources and vehicle development with low material consumption. Through the close cooperation between production and development, we ensure that aspects such as producibility, service and repairability, remanufacturing and recycling and thus circular economy play an important role right from the start of development.

The Company management is closely involved in fundamental decisions on construction concepts, production technologies and the use of materials. These topics are discussed in board meetings, among other places, taking into account factors such as costs, resource-efficient technologies, alternative materials and industrialization options. The use of scarce and critical raw materials is also examined.

Worldwide, legal regulations set the standard for the treatment and disposal of our waste. We work with licensed and regularly certified service providers. In principle, our production sites are required to monitor the disposal of production waste until its final destination and to conduct regular audits of disposal facilities handling hazardous waste.

Our strategy for resource efficiency and circular economy

We are continuously developing into a more environmentally friendly Company by building a circular value chain. In the spirit of resource efficiency and circular economy, our priority continues to be resource preservation and waste prevention. We already focus on resource preservation and the circular economy when developing vehicles. An important component is the planned introduction of an Ecodesign Guideline. The aim is to develop an optimized and circular product design that extends the service life of our products, makes their life cycle more sustainable and, in the long-term, opens up additional strategies for circular economy. The guideline is intended to include a strategy that consists of three main areas: extension of use, reducing resource consumption and recyclability.

Extension of use:
We want to extend the useful life of our vehicles by making them easier to upgrade, reducing maintenance costs and improving transport capacity. By increasing durability, making repairs easier and using modern safety technologies, we aim to reduce the number of vehicles needed and extend their service life.

Reducing resource consumption:
We aim to reduce energy and material consumption throughout the entire life cycle of our vehicles. We focus on reducing energy use in development and production, using recycled materials, and integrating recyclable components. In addition, a lighter vehicle design with sustainable material alternatives is preferred in order to avoid critical materials and ensure more energy-efficient use in operation.

Recyclability:
Our strategy is based on simple disassembly and straightforward material separation to improve the recyclability and reusability of vehicle parts. We develop components so that they can be directly reused, refurbished, or easily separated into their components. This reduces the expense for material recovery.

Through this holistic approach in vehicle development, we aim to ensure the improved environmental compatibility and cost-effectiveness of our products in the long-term, in order to make a valuable contribution to achieving our sustainability goals.

Furthermore, we deal with future legal regulations at an early stage and continuously and analyse the effects on Daimler Truck on the basis of the draft laws. The expected requirements are incorporated into product development. A current example is the draft of Regulation (EU) 2023/0284 (on requirements for the circular design of vehicles and on the disposal of end-of-life vehicles, amending Regulations (EU) 2018/858 and (EU) 2019/1020 and repealing Directives 2000/53/EC and 2005/64/EC), which leads to an extension to truck and buses.

Despite our strategic approaches and corporate goals, we cannot completely avoid waste. Therefore, we ensure the most environmentally responsible disposal of our remaining waste.
For example, our production sites at Daimler Truck North America and Mercedes-Benz do Brasil Ltda. have implemented waste concepts based on the "zero-waste to landfill" concept, whereby waste should not be disposed of in landfill, but redirected to material or thermal recovery. By avoiding landfill disposal, we reduce environmental risks such as groundwater pollution and support limiting the consumption of landscape through the construction of new landfills.

In order to promote innovation and value the commitment of our employees, in 2024 we presented the Green Mover Award, the internal Daimler Truck environmental award, for the first time to outstanding projects and initiatives in the field of climate and environmental protection. One of the award-winning projects was a project by our employees in Detroit. They implemented a battery remanufacturing program and developed a stationary battery storage container that reduces emissions and waste.

Policies in the Group and in the supply chain

The Corporate Environmental Protection Policy covers resource use and circular economy and contains environmental guidelines for reducing the use of primary raw materials and promoting the use of recycled materials. The Group policy also stipulates closed material cycles in production and the reduction of waste. The Group policy therefore particularly addresses the positive material impacts of “increasing resource efficiency, waste prevention and reduction”. Further information on the Group policy can be found in chapter Climate protection and climate change adaption.

Sustainability standards in contractual terms with our suppliers

By incorporating sustainability clauses into contractual terms with our suppliers, we can demand binding environmental standards, such as environmentally friendly production, reduction of energy, water consumption and waste, and chemical and hazardous substance management. We require suppliers who supply us with production material to have a certified environmental management system in accordance with ISO 14001, EMAS or comparable standards. Suppliers who do not meet a specified order volume are exempt from this regulation.

Elements of circular economy are also part of the contract, which is why minimizing waste, for example through recycling, is a clear requirement. The use and consumption of resources during the production process is also to be reduced or, ideally, avoided entirely. The focus should be on the use of more sustainable materials, material savings, recycling or the reuse and reprocessing of materials. We also expect our suppliers to design their processes and procedure in such a way that products can be returned to the cycle at the end of the life cycle.

In addition, our Daimler Truck Special Terms require our service providers and partners who work with us in recycling processes to implement a resource-saving recycling process in order to save raw materials themselves, reduce CO_2e emissions, lower water consumption and avoid waste wherever possible. Further information on the mandatory contractual clauses on social responsibility and environmental protection can be found in chapter Cooperation with business partners.

Targets

Targets for a circular economic cycle

The aim of circular economy is to preserve the value of products, components, and materials for as long as possible. Daimler Truck has the goal of minimizing waste and environmental impacts while maximizing the use of resources in order to create a value chain that is as closed as possible. With the help of the so-called 7-R methods, we are driving forward the development of a circular product design that is intended to ensure the durability, repairability, and recyclability of products. In this way, we want to close material cycles and to reduce the ecological footprint.

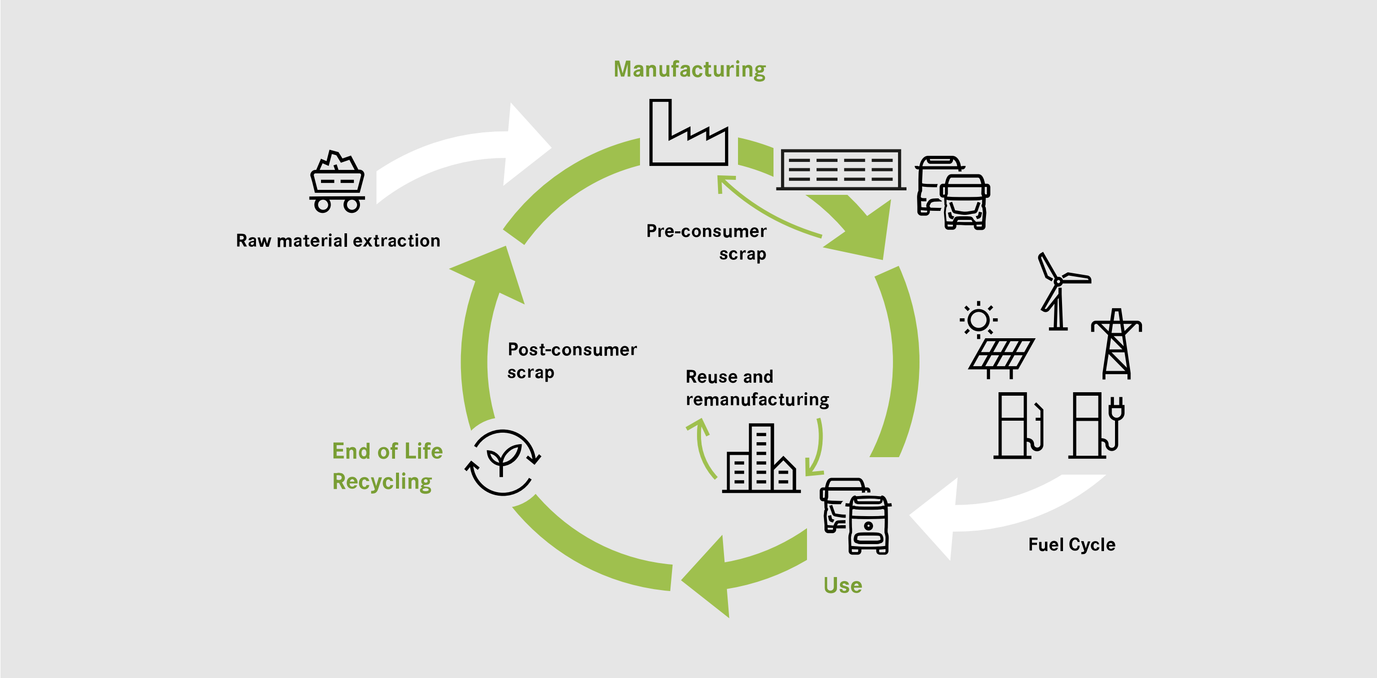
Targets of waste prevention and recycling

Our Corporate Environmental Protection Policy contains guidelines for reducing waste generation. We follow the five-stage waste hierarchy regulated in Section 6 of the German Recycling Management Act (KrWG). Waste prevention is the primary goal, followed by preparation for reuse, recycling, and other recovery processes. The disposal of waste is avoided wherever possible. We have set the target to reduce the amount of waste at our production sites by around 40 kt and by around 12% per vehicle by 2030 compared to 2013/2014. This target contributes to our waste prevention strategy but does not yet fully meet the ESRS requirements.

In order to take account of the different production sites and their associated special features, they were included in the setting of the waste target and, in addition to a fixed reduction, variable influencing factors were also considered. Specific scientific frameworks were not taken into account when setting the target.

B.41

Circular economy



We calculate this reduction using a level logic, with the base value being assumed to be the zero line (0 kt). In 2030, the sum of all effects is expected to achieve an annual reduction of around 40 kt, which is to be achieved by implementing a variety of efficiency actions. We continuously track progress in achieving the target using the green production database (see chapter Climate protection and climate change adaption) and report it to management. The database documents implemented and planned measures and indicates their contribution to the waste reduction target.

We have set ourselves the target of achieving a recovery rate of more than 95% at our production sites by 2030. In 2024, the recovery rate was 86%.

In order to ensure that our waste streams are recovered as efficiently as possible, our disposal methods are regularly reviewed by our experts to identify potential for optimization.

In addition, we aim to define further targets to address the identified material impacts, risks and opportunities.

Actions and results

Our R-methods for building a global circular economy

In order to comply with the environmental guidelines set out in our Corporate Environmental Protection Policy, life cycle assessments (LCAs) are carried out, which in turn serve as the basis for the actions taken in the reporting year and in subsequent years.

Life cycle assessment
We use LCAs as a holistic approach to assess our products. In principle, trucks and buses are examined over their entire life cycle (supply chain, production, use and end-of-life phase) to determine potential for improvement in terms of environmental impact. The life cycle concept, the results of the hot spot analysis and the analysis of the key life cycle steps are incorporated into activities such as research and development, procurement and production in order to further improve the ecological footprint of our products. We have created LCAs for some of our vehicle models for our own production, but also for purchased parts and materials. For the world premiere of our Mercedes-Benz eActros 600 in October 2023, we published LCA data for the first time. We have also presented these in the non-financial statement of the previous reporting year. In the meantime, further LCAs have been conducted, including LCAs for the eCascadia & Cascadia in the American market and for the eCitaro G Fuel Cell from Daimler Buses. Daimler Buses had already calculated LCAs or Environmental Product Declarations (EPD) for the eCitaro and the eCitaro G Hybrid in the past. In 2024 we conducted our first in-house LCA for the eCitaro G Fuel Cell, which was also certified externally. The data quality of our LCAs is assured by TÜV according to ISO standards. In addition, we are currently developing an internal global LCA guideline in which we describe our Daimler Truck standardized LCA methodology for i.e. uniform data collection and result calculations and have it certified by TÜV in order to ensure a globally uniform LCA process. The results of our LCAs so far show that resource efficiency is key to the circular economy of our products.

Two topics in particular emerge:

- Substitution of materials towards more environmentally friendly materials (e.g., renewable raw materials).
- Use of recyclates in coordination with our suppliers to implement a circular economy within our product portfolio.

Our 7-R methods were introduced as key actions to move closer to the targets set. These methods help to implement the results of our LCAs and move towards a closed loop: Ensuring efficient use of resources and reuse of materials, and, thereby minimizing environmental impacts along the entire value chain. The individual 7-R methods are explained in detail below and the associated actions are listed. The actions taken are not limited to one reporting year, but should be understood as ongoing actions.

Redesign
Currently, our vehicles are mainly made of materials such as steel, iron, and aluminum. However, with the expansion of e-mobility, the need for materials for vehicle production is changing. For example, metals such as lithium, cobalt, and nickel are needed for drive batteries in electric vehicles. Given the increasing demand for these materials, ensuring sufficient availability is essential. One of our goals is to transform our entire value chain into as closed a loop as possible. To achieve this, we want to recycle our production waste and old materials as much as possible. To develop early solutions for other components such as electric axles, adapted transmissions, fuel cells, batteries, or inverters and to incorporate these findings directly into our development process, we participate in individual research projects. These include the “EIC Accelerator” (European Innovation Council), the “REESilience” project for the extraction of rare earths from magnets, and “LiBInfinity”, which deals with the recycling of industrial batteries and batteries from electric vehicles.

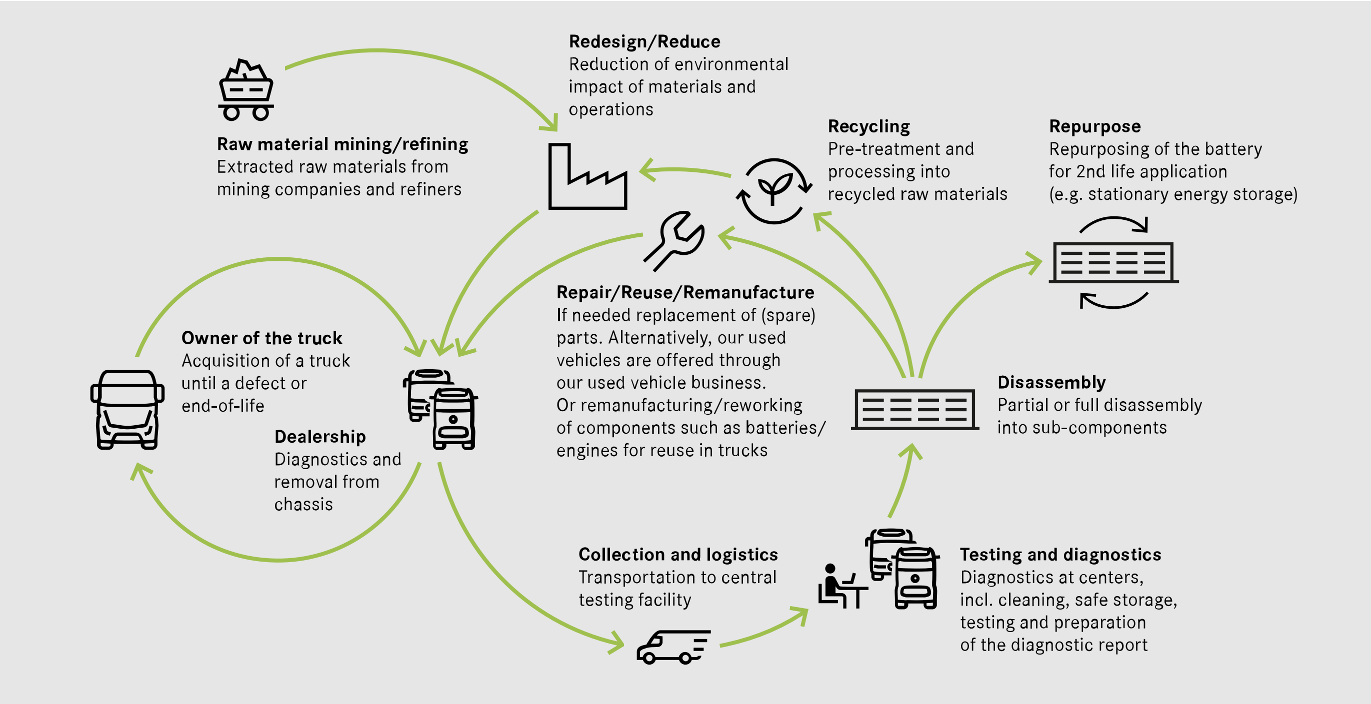
Reduce
In production, we minimize waste such as off cuts, sand, filter materials, and sludge through new or improved processes and close material cycles wherever possible. Our Consolidation Center in Gaggenau, Baden-Württemberg, is continuously working on reducing and optimizing packaging material for parts transport, as well as on switching from disposable to reusable packaging. The goal is to use all levers to reduce waste as much as possible, such as reducing old wood waste that can arise when disposing of pallets and transport boxes. We also work with other suppliers on switching from disposable to reusable packaging, such as load carriers and pallets, as well as reducing packaging material. In terms of resource outflows, Daimler Truck has waste streams that are typical for the industry. These mainly consist of scrap metal, sand, sludge, used oil, paper, plastic, textiles, packaging material, batteries, tires, glass, and old electrical equipment.

Repair, Reuse
A central pillar of circular economy is the ability to repair vehicles. The prerequisites for this are created as early as the design phase by making the individual parts as modular as possible.

Used Mercedes-Benz trucks with low mileage and a low vehicle age can receive the "Mercedes-Benz Trucks Certified" label after a technical inspection. These trucks are no more than five years old, have a maximum mileage of 500,000 kilometers and have been carefully inspected and repaired by our own TruckStores, branches, or Mercedes-Benz authorized partners in accordance with strict and uniform quality standards. This underlines our efforts to stand for high quality and reliability in the used vehicle business. In addition to the TruckStore for our used Mercedes-Benz trucks, we offer a platform for our used vehicles in the American market with “SelecTrucks” and an offer for used buses with “BusStore”.

B.42

Our R-strategies for a global circular economy



Remanufacture

By remanufacturing, we understand reconditioning used original parts so that they are equivalent to new parts in terms of function, safety and quality. This is what the Genuine Remanufactured Parts brand stands for. The used parts, mostly engines and transmissions, are collected within the various Daimler Truck segments in the respective regions via branches or sales partners. The process of remanufacturing the core parts is similar in all regions: The incoming material is removed and inspected, thoroughly examined for quality, cleaned, processed, subjected to extensive quality tests again, and finally made available to the customer. The remanufacturing parts therefore meet our high quality standards for new part series.

Compared to the production of a new part, significantly fewer raw materials are required, which helps us preserve resources. By extending the use phase of the spare parts, we are able to increase the availability of parts for our customers and also supply older vehicles with spare parts of the quality level of new parts. This enables vehicle parts and vehicles to be used for longer period of time, which helps us promote independence from critical raw materials and at the same time close the material cycle. This approach has proven particularly helpful during the COVID-19 pandemic, when resource constraints and supply chain bottlenecks posed major challenges. Daimler Truck North America installed remanufactured parts in new vehicles so that they could be delivered.

The reconditioning and the associated targeted improvement of the battery's functional state (State of Health, SoH) is part of the focus on future requirements of the market and our customers. Step by step, the responsible experts from Daimler Buses, together with the series supplier, developed, reviewed and elaborated this process. The batteries that have already been used are first checked and then handed over to the partner. There, the battery is extensively reworked, if this is possible for electronic components, followed by an acceptance test similar to the series batteries. The so-called reworking batteries (reconditioned batteries) can then be installed back in the vehicle and continued to be used by customers as usual. At Trucks North America, we started our reworking activities for high-voltage batteries in parallel with our vehicle activities in order to ensure smooth service for our customers. At Mercedes-Benz Trucks, the start of series production (SOP) for the reworked (replacement) batteries is expected to take place at the end of the first quarter of 2025. As part of the remanufacturing activities of conventional components such as combustion engines, axles and transmissions, which have been established for years, processes and procedures are being further optimized and questioned in order to reduce environmental impact and meet future requirements.

Repurpose

In the Daimler Buses segment, we developed initial approaches to battery repurposing last year. A sensible and sustainable second-life application for our high-voltage batteries has been our goal since we began production of our electric buses. Accordingly, possible scenarios for the reuse of batteries from electric vehicles have been and are being identified and evaluated. After the first use phase in the vehicles, experience has shown that the batteries are in a condition that allows further use. Examples of applications for this include emergency power supply as an alternative to generators and optimizing self-consumption in combination with solar modules. This type of reuse is significantly more resource-efficient than direct recovery through recycling and makes a contribution to the transition to a circular economy.

With a stationary storage system made of first-generation lithium-nickel-manganese-cobalt batteries (NMC batteries), this has already been implemented jointly as part of the GUW (regenerative and controllable direct current substation) research project at an eCitaro customer in Hanover. The storage system with a total capacity of more than 500 kWh stabilizes the local tram power grid and enables the cost-effective rapid charging of electric buses. The project is funded by the Federal Ministry for Economic Affairs and Infrastructure, and we are working with Mercedes-Benz Energy GmbH on an optimal logistics concept and an overall process that saves resources. In addition, we are looking at other possible applications for storage solutions and are constantly keeping up with market developments with the aim of always being able to offer our customers the most up-to-date and sustainable solutions possible.

Trucks North America is also already carrying out activities on the topic of battery repurposing in the form of battery storage options. They are investigating the extent to which modules with lower SoH values can be used to support the grid and charging infrastructure.

Recycling
For us, recycling is a key element in achieving a continuous circular economy. Our goal is to reuse as many materials as possible at the end of each product and material life cycle instead of sending them to landfill or thermally recycling them. If possible, we return the materials to the original production process. If this is not possible, we rely on downcycling. In order to achieve the best possible recycling, materials suitable for recycling processes are used in vehicle development wherever possible. The requirements in the component specifications are adapted accordingly. These include specifications for easy disassembly so that material flows can be cleanly separated, and the increased use of recyclates. Suppliers provide information on the material composition of their products through the automotive industry's International Material Data System (IMDS). We use this both in production (e.g., for disposing of production waste) and in aftersales (e.g., when disposing of defective parts or buying back core parts) for material-appropriate disposal through selected and specialized disposal companies. This includes the continuous improvement of existing disposal routes and solutions. For example, at one production site, the disposal of copper cables was changed by first removing the sheath, thus enabling separate disposal of copper and sheath, which led to higher recycling efficiency of the copper.

New or adapted legal requirements, such as the planned expansion of the End-of-Life Vehicle Regulation (2023/0284/COD) in Europe to commercial vehicles and buses or other digital product passports (such as for vehicles and tires), support this development and are being taken up early by Daimler Truck. In addition to the evaluation of business models, this includes adjustments to the Company's own production processes or changes by suppliers (including material changes). The high-voltage battery is serving as a pioneer here, not least due to the EU Battery Regulation (EU) 2023/1542 that came into force last year. Together with waste disposal companies, start-ups with innovative recycling solutions and development, prototype batteries are already being examined and evaluated in terms of recycling efficiency, usability of the recyclates, production processes and procedures (e.g., bonding of cells), and the corresponding costs. We transfer these findings to similar vehicle parts. Furthermore, the Center of Competence Recycling is available to the departments and regions as an internal know-how provider and multiplier and ensures exchange with research institutions and market participants, such as waste disposal companies, through participation in publicly funded projects, trade fairs, and congresses.

Due to specific market conditions, individual activities in the area of disposal and recycling are designed differently regionally and/or product-specifically. Examples from the year 2024 include:

- Asia: Mitsubishi Fuso Truck and Bus Corporation, a subsidiary of Daimler Truck, launched a project with a start-up to set up a test facility for recovering materials from used electric vehicle batteries at its main plant in Kawasaki, Japan. Starting in 2025, both companies plan to use the pilot plant to have the reusability of the recovered anode, cathode, and electrolyte materials assessed by battery cell manufacturers.
- Europe: Together with an external expert in the field of metal processing, particularly for metal waste recycling, a "green" truck will be built as a model. "Green" steel made from post-consumer material will be used. The findings will be incorporated into product development and used there in particular in the specification of the steel and its alloys.
- Daimler Buses: In order to increase recycling efficiency and targeted utilization of raw materials, an initial pilot is implemented at the Neu-Ulm, Germany site. The starting point of the pilot project proposal is the sorting and separation of components that are not suitable for reprocessing (see the Remanufacturing section), such as brake calipers, before they are shipped. This increases recycling efficiency at the recycler because contamination, such as from other materials, is avoided in the recycling process and in the recyclates obtained.

A special example of how circular economy is being put into practice at the Gaggenau site in Baden-Württemberg is found within UV axle painting. As is always the case with painting, this special painting process produces overspray (the portion of the paint that does not reach the workpiece but escapes in the form of spray mist). This overspray does not harden without UV light and remains in its viscous state, which makes further processing possible. This gave rise to the concept of collecting the overspray and making it usable again as a recyclate, which was successfully implemented in the current reporting year. It is currently assumed that almost 100% can be reused. This project also won the internal Daimler Truck Environmental Award in the “Green production” category in 2024.

Resource inflows
Our main materials are steel, iron and aluminum, which are used in vehicle production. These materials are a fundamental component of our products and play a key role in value creation. In addition, with the increasing production of battery-electric vehicles, the importance of rare earths and critical raw materials will also increase in the future.

The total weight of the products, as well as the technical and biological materials used during the reporting period, is 5,911,980 t. Of this, 1,671,229 t, are the absolute weight of secondary reused or recycled components, secondary intermediates and secondary materials that we will use to manufacture our products. This corresponds to 28.3% of the total weight.

The total weight of products and materials used was calculated based on planned purchase volumes in the reporting year. The metrics for secondary materials are estimated using a common methodology based on industry averages and averages from relevant material associations and databases, including the World Steel Association, the International Aluminium Institute and the Raw Material Information System. The estimate is based on an analysis of the material volumes of the main materials, which account for 84% of the total materials. The main materials we use to produce our trucks and buses include iron, steel and aluminum.

Resource outflows

The core products, trucks and buses, are designed for durability, reusability and repairability. The recyclability of the products considered at group level is 93% of the total weight. This value is based on a theoretical calculation, as the actual recycling rate varies significantly depending on regional conditions. The recyclability of our vehicles is calculated based on the material data from the LCAs of our vehicles in their delivery state, which are critically reviewed by TÜV. ISO 22628 was used as the methodological approach and a standardized calculation approach was defined together with all segments. In order to obtain a value on Daimler Truck level, the individual segment values were weighted based on our production figures and the ratio between diesel vehicles and vehicles with alternative drive technologies (battery or hydrogen).

There is currently no reliable industry data available for comparing the durability of our products (trucks and buses). However, based on internal information and assessments, we can assume that the durability of our products is in line with the industry average.

The spare parts determination begins in the product development phase. Interdisciplinary teams from development, marketing, aftersales and supplier management work out potential repair concepts. Important criteria include avoiding scrapping parts, serviceability, cost-effectiveness and reusability of the spare parts. Based on design groups into which the entire vehicle is divided, we analyze all assemblies in order to determine the optimal repair strategy. If a repair is technically possible, the components, such as complete mirrors, engine components, and seats, are divided into substructures (individual part numbers to be ordered) and the repair depth is determined. The repair depth indicates how far the components can be disassembled. For a complete seat, for example, this means that we can replace or repair components such as armrests, backrests and seat covers separately. Another input factor for the definition of spare parts is the product testing work, which deals with vehicles already in use. We analyze complaints to understand the actual causes of damage and define appropriate repair solutions and parts kits. This means that we can replace the damaged components in a targeted manner rather than the entire assembly having to be replaced. We therefore work both preventively in the product development process and reactively in the product testing process to constantly optimize our range of spare parts and align them with ecological and customer-oriented needs. The depth of repairs and our service network enable us to optimize the availability of our customers' vehicles. With the ongoing development of the product portfolio, repairs can be offered not only for classic components, but also for complex electrical components, such as the high-voltage battery. As part of the repairs carried out, individual parts that were not affected by a defect can in general be reused.

Waste

The waste mainly contains the following materials: aluminum, steel, sand, plastic, oil, cardboard, waste wood, paint, electronic waste, textiles and glass.

Since the ESRS and the associated reporting obligations came into force, we have been working to generate the required data transparency regarding waste disposal. Our suppliers are currently not legally obliged to provide data on the final destination of the waste. This presents us with the challenge of creating an overall picture of the following detailed recycling and disposal types for all production sites:

- Types of recovery: preparation for reuse, recycling and other recovery processes
- Types of disposal: combustion, landfilling, and other types of disposal

We are pushing for even closer cooperation with our suppliers and can already assign the required types of recovery and disposal to many waste streams. Some of these are still estimates that were interpolated or calculated by our environmental specialists in the plants. We pursue a conservative approach, where waste with unknown treatment methods is assigned to the lower category. It is therefore to be expected that with greater data transparency in the future, some of the waste will move up to the higher category, thus improving the overall picture.

A total of 442.5 kt of waste was generated in the reporting year. A total of 158.2 kt of waste was generated that was not recycled, which corresponds to a percentage share of 36% of the total waste generated. Non-hazardous and hazardous waste is generated at all production sites. The following table ↗ **B.43** shows the quantities intended for disposal and recovery broken down into non-hazardous and hazardous waste.

B.43

Waste: treatment types and recovery operations by waste category[1,2]

	In total 2024		Hazardous waste 2024		Non-hazardous waste 2024	
in t	Measured values (production sites)	Entire Group	Measured values (production sites)	Entire Group	Measured values (production sites)	Entire Group
Diverted from disposal						
Preparation for reuse	5,318	5,318	615	615	4,704	4,704
Recycling	266,211	284,345	23,661	35,783	242,550	248,561
Other recovery operations[3]	89,748	91,002	10,260	10,697	79,489	80,305
In total diverted from disposal	361,277	380,665	34,536	47,095	326,743	333,570
Directed to disposal						
Incineration	2,400	2,400	1,568	1,568	832	832
Landfill	58,380	58,380	55,999	55,999	2,381	2,381
Other disposal operations	1,061	1,061	725	725	336	336
In total directed to disposal	61,841	61,841	58,292	58,292	3,549	3,549
In total	423,118	442,505	92,828	105,386	330,292	337,119
Recovery rate (in %)	85	86				

1 Excluding construction waste and excavated soil.
2 The values for the Entire Group consist of the waste quantities of the production sites and projections of other non-production sites with low waste generation. The extrapolation is carried out in a similar way to the methodology used for energy indicators, see chapter Climate protection and climate change adaptation.
3 The category “Other recovery operations” also includes thermal recycling.

EU taxonomy

Background
An objective of the European Union's (EU) action plan on financing sustainable growth (Sustainable Finance) is to redirect capital flows into sustainable investments. Against this background, Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to facilitate sustainable investments, and amending EU Regulation (EU) 2019/2088 (Taxonomy Regulation) entered into force in 2020. The Taxonomy Regulation is a uniform and legally binding classification system stating which economic activities in the EU are considered taxonomy-aligned and thus "environmentally sustainable" with regard to six environmental objectives specified by the Regulation. The following environmental objectives are defined by the Taxonomy Regulation:

- Environmental objective 1 "Climate change mitigation"
- Environmental objective 2 "Climate change adaptation"
- Environmental objective 3 "Sustainable use and protection of water and marine resources"
- Environmental objective 4 "Transition to a circular economy"
- Environmental objective 5 "Pollution prevention and control"
- Environmental objective 6 "Protection and restoration of biodiversity and ecosystems"

For all environmental objectives, descriptions of relevant activities and technical screening criteria are available through delegated acts. All consolidated Group companies are included in the calculation of the relevant key performance indicators (KPI) for Daimler Truck. This does not apply to companies included in the consolidated financial statements using the at-equity method.

The turnover, capital expenditure (CapEx) and operating expenditure (OpEx) published as part of the EU taxonomy were calculated in the same way as the consolidated financial statements of the Daimler Truck Group and are in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee, as they are to be applied in the EU.

Taxonomy-eligible economic activities
With the descriptions of economic activities in the delegated acts, the Taxonomy Regulation specifies which activities are generally taxonomy-eligible. As the determination of taxonomy eligibility for an economic activity is based on its output, it follows that all activities, as well as the associated capital expenditure and operating expenditure, that serve the production or leasing/financing of vehicles are also taxonomy-eligible.[1]

The delegated act (EU) 2022/1214 of March 09, 2022 also includes specific provisions for the energy sector. As part of these regulations, we are obligated to disclose information regarding economic activities related to fossil gas and nuclear energy. Our disclosure on this matter can be found in the table ↗ B.44. An analysis of the activities in this context led to the conclusion that the corresponding activities are exclusively for our own use as part of the manufacturing activity and represent an insignificant scope for Daimler Truck.

In addition, in accordance with the Delegated Act (EU) 2023/2486 of June 27, 2023, the distribution of activities between environmental objectives 1-6 was analyzed and examined. On this basis it could be determined that there is no overlap in the environmental objectives. Accordingly, only the environmental objective of climate change mitigation is essential.

B.44
Mandatory disclosure on nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

1 Cf. question two in the EU Commission's "Commission notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets" of October 06, 2022 ("FAQ").

Daimler Truck has classified the following activities as taxonomy-eligible in accordance with the Taxonomy Regulation.

- Activity 3.3 – Manufacture of low-carbon technologies for transport
- Activity 6.3 – Urban and suburban transport, road passenger transport
- Activity 6.5 – Transport by motorbikes, passenger cars and light commercial vehicles
- Activity 6.6 – Freight transport services by road

Under Activity 3.3, Daimler Truck includes all trucks and buses produced by Daimler Truck, independent of their CO_2 emissions, as taxonomy-eligible, i.e., also all vehicles with combustion engines. The background to this is that the Taxonomy Regulation does not contain any definition of the term “low carbon” outside the technical screening criteria. Therefore, all vehicles can in principle be classified as eligible and the term “low carbon” is only to be applied to the assessment of taxonomy alignment within the framework of the technical screening criteria.[1] Activities 6.3, 6.5 and 6.6 include leasing/financing activities relating to buses, cars and trucks, regardless of whether they are own or external brands.

Taxonomy alignment
All activities classified as taxonomy-eligible have been checked for taxonomy alignment. A significant contribution to an environmental objective is to be made by complying with the specified technical screening criteria defined in the EU Taxonomy Regulation. For Daimler Truck, this applies to environmental objective 1 as all activities contribute to climate change mitigation.

Furthermore, within the framework of the technical screening criteria, significant harm to another environmental objective must be excluded on the basis of the defined “do no significant harm” criteria (DNSH).

1 Cf. question nine in the European Commission’s FAQ dated October 06, 2022.

In addition, compliance with the minimum safeguards with regard to human rights, including labor rights, corruption and bribery, taxation and fair competition must be ensured. An economic activity can only be regarded as ecologically sustainable if all criteria are met.

Daimler Truck carried out the review of the technical screening criteria for the economic activities at product and/or site level. The assessment of compliance with the minimum safeguards is essentially based on Group-wide guidelines and their local implementation.

Only low-carbon vehicles according to the definition of the technical screening criteria are taken into account for the assessment of the taxonomy alignment. The EU taxonomy also provides that buses pre-compliant with the Euro VI standard shall be taken into account in the alignment assessment. Since the current Euro VI standard had already entered into force at the time of the assessment, Daimler Truck does not consider any pre-compliance and the vehicles are accordingly not taken into account in the assessment of taxonomy-alignment.

Do No Significant Harm
Compliance with the DNSH criteria was mainly assessed on the basis of checklist-based interviews for the relevant sites and products.

As stated above, Daimler Truck exclusively makes a significant contribution to environmental objective 1 “Climate change mitigation”. Therefore, the DNSH criteria for the other environmental objectives 2 to 6 must be examined.

Evidence of compliance with the DNSH criteria for the respective environmental objectives is provided by overarching standards, guidelines or other appropriate evidence. Compliance is checked as part of regular “environmental due diligence audits”, if relevant. If individual criteria are not met, the corresponding turnover, CapEx and OpEx are not reported as taxonomy-aligned.

For these environmental objectives, depending on the respective economic activity, the following DNSH criteria must be checked:

Environmental objective 2 - “Climate change adaptation”
- Activities 3.3, 6.3, 6.5, 6.6: The criterion requires so called climate risk and vulnerability analyses to be performed.[2] These were carried out at Group level. Daimler Truck incorporates various physical climate risks into the analysis in accordance with the requirements of the EU taxonomy. Each of the physical climate risks to be considered in accordance with the Taxonomy Regulation was assessed on the basis of climate scenarios. The climate projections are based on the Shared Socioeconomic Pathway scenarios (SSP scenarios) of the Intergovernmental Panel on Climate Change. The analysis therefore focuses on economic activity 3.3. and considers a period up to 2080. Identified risks are addressed in an adaptation plan. For activities 6.3, 6.5 and 6.6, no risk to the performance of the activities due to physical climate risks is considered. Extreme weather tests are carried out during vehicle development.

Environmental objective 3 - “Sustainable use and protection of water and marine resources”
- Activity 3.3: The criterion requires the preparation of a management plan in line with water quality and water scarcity in accordance with the Water Framework Directive.[3] The risks and measures relating to water quality are tracked as part of the regular environmental due diligence audits at the Daimler Truck sites. In addition, Daimler Truck also takes into account the avoidance of water scarcity through a central risk assessment based on recognized models and procedures. The existing processes cover the adjustments to the criteria in the delegated act made in 2023.

Environmental objective 4 - “Transition to a circular economy”
- Activity 3.3: The possibility of using secondary raw materials and the possibility of a design for easy disassembly and durability must be taken into account for the relevant vehicles. In addition, hazardous substances must be traceable and waste management established at the sites. In this context, various internal Group guidelines and standards apply as well as, in individual cases, further suitable evidence. The issue of durability is anchored, for example, in the product development process. The “Group Standard for Waste Management” defines waste management across the Group.

2 Cf. Appendix A of Delegated Regulation (EU) 2021/2139.
3 Cf. Appendix B of Delegated Regulation (EU) 2021/2139.

- Activities 6.3, 6.5 and 6.6: The criterion requires the existence of waste management measures, in particular at the end of a vehicle's life cycle.

- Activities 6.5 and 6.6: Defined quotas of recyclable or reusable materials in the products must be complied with. If the quotas determined in accordance with the specifications reach the required threshold values, the technical screening criterion is considered to be fulfilled.

Environmental objective 5 - "Pollution prevention and control"
- Activity 3.3: The criterion is based on Appendix C of Delegated Regulation (EU) 2021/2139. Appendix C refers to various European regulations from the chemicals legislation. As part of Annex I to Commission Delegated Regulation (EU) 2023/2486 supplementing Regulation (EU) 2020/852 of the European Parliament, published on June 27, 2023, letter f) of Annex C was clarified and a further paragraph was added. The substances defined in Appendix C are subject to restrictions on manufacture, placing on the market and use, both in terms of use in the sites and in the products. There are specifications regarding the use of working materials and product components and substitution tests for these.

Moreover there are difficulties in interpretation regarding the vague term "Where applicable" in relation to the use of lead, mercury, hexavalent chromium and cadmium. Daimler Truck interprets the criterion in accordance with the previous version of the regulation and references Directive 2000/53/EC.

- Activities 6.3, 6.5 and 6.6: Compliance with certain tire categories in terms of rolling resistance and rolling noise must be demonstrated. In the reporting year, appropriate analyses were performed for the relevant vehicles to provide the required evidence. If information on the tires is available and the corresponding classes are adhered to, the technical screening criterion is considered to be fulfilled.

Environmental objective 6 - "Protection of biodiversity and ecosystems"
- Activity 3.3: The criterion refers to Appendix D of Delegated Regulation (EU) 2021/2139, which defines requirements for the protection of biodiversity and biodiversity-sensitive areas in the vicinity of the sites. As part of the environmental due diligence audits, compliance with environmental permits is verified, among other aspects. The impact on nearby, sensitive areas is also examined. If required, measures are derived (for details, see the chapter Prevention of pollution).

During the assessment, the relevant technical screening criteria were analyzed, interpreted, the results documented and substantiated by corresponding evidence documents and calculations.

Minimum safeguards
As part of the assessment of compliance with the minimum safeguards, the following topics were analyzed centrally:

- Human rights, including labor rights

- Corruption and bribery

- Taxation

- Fair competition

No increased risk was identified and assessed in this regard for the 2024 reporting year. For each potential risk area, preventive and, if necessary, remedial measures are already in place. As part of the due diligence processes, it was possible to demonstrate that there are no convictions in any of the four subject areas. For details, refer to chapter Sustainability governance under subchapter "Compliance Management System", Our people under subchapter "Human Resources Compliance" Human rights in the value chain under subchapter "Supplier Due Diligence" and Responsible corporate culture under subchapter "Selection of our compliance fields and processes".

Reporting on the three performance indicators
Reporting on the KPIs required under the Taxonomy Regulation for turnover, CapEx and OpEx is shown in tables ↗ **B.45**, ↗ **B.46** and ↗ **B.47**. All activities are fully assigned to environmental objective 1 "climate change mitigation". Furthermore, all activities can be clearly assigned to the respective economic activity according to the Taxonomy Regulation. This avoids double counting in the calculation of the overall performance indicators.

B.45

Turnover

I Template:
Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

		2024		Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	Turnover	Proportion of Turnover, year 2024	Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2023	Category enabling activity	Category transitional activity
		€ million	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of low carbon technologies for transport	CCM 3.3	791	1.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.9	E	
Turnover of environmentally-sustainable activities (Taxonomy-aligned) (A.1)		791	1.5	100.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.9		
Of which Enabling		791	1.5	100.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.9	E	
Of which Transitional		0.0	0.0	0.0						Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Manufacture of low carbon technologies for transport	CCM 3.3	48,478	89.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL								91.4		
Urban and suburban transport, road passenger transport	CCM 6.3	395	0.7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	89	0.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2		
Freight transport services by road	CCM 6.6	2,362	4.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.4		
Turnover of Taxonomy-eligible, but not environmentally sustainable activities (not-Taxonomy-aligned activities) (A.2)		51,325	94.9	100.0	0.0	0.0	0.0	0.0	0.0								95.5		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		52,116	96.4	100.0	0.0	0.0	0.0	0.0	0.0								96.4		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
Turnover of Taxonomy-non-eligible activities	1,961	3.6
TOTAL	54,077	100.0

Y - Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective; N - No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective; CCM: Climate Change Mitigation.

B.46

Capital expenditure (CapEx)

II Template:
Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Economic Activities	Code	CapEx (2024)	Proportion of CapEx, year 2024	Substantial Contribution Criteria: Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	DNSH criteria ("Does Not Significantly Harm"): Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2023	Category enabling activity	Category transitional activity
		€ million	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of low carbon technologies for transport	CCM 3.3	359	9.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	7.5	E	
CapEx of environmentally-sustainable activities (Taxonomy-aligned) (A.1)		359	9.9	100.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	7.5		
Of which Enabling		359	9.9	100.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	7.5	E	
Of which Transitional		0.0	0.0	0.0						Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Manufacture of low carbon technologies for transport	CCM 3.3	2,741	75.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								78.5		
Urban and suburban transport, road passenger transport	CCM 6.3	2	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.9		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	71	1.9	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Freight transport services by road	CCM 6.6	448	12.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								12.7		
CapEx of Taxonomy-eligible, but not environmentally sustainable activities (not-Taxonomy-aligned activities) (A.2)		3,261	89.8	100,0	0.0	0.0	0.0	0.0	0.0								92.2		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		3,620	99.7	100,0	0.0	0.0	0.0	0.0	0.0								99.7		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
CapEx of Taxonomy-non-eligible activities	12	0.3
TOTAL	3,632	100.0

Y - Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective; N - No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective; CCM: Climate Change Mitigation.

B.47

Operating expenditure (OpEx)

III Template:
Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Economic Activities	Code	OpEx (2024)	Proportion of OpEx, year 2024	Substantial Contribution Criteria: Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	DNSH criteria ("Does Not Significantly Harm"): Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2023	Category enabling activity	Category transitional activity
		€ million	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of low carbon technologies for transport	CCM 3.3	305	14.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	12.9	E	
OpEx of environmentally-sustainable activities (Taxonomy-aligned) (A.1)		305	14.3	100.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	12.9		
Of which Enabling		305	14.3	100.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	12.9	E	
Of which Transitional		0.0	0.0	0.0						Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Manufacture of low carbon technologies for transport	CCM 3.3	1,747	81.7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								85.1		
Urban and suburban transport, road passenger transport	CCM 6.3	0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Freight transport services by road	CCM 6.6	0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
OpEx of Taxonomy-eligible, but not environmentally sustainable activities (not-Taxonomy-aligned activities) (A.2)		1,747	81.8	100.0	0.0	0.0	0.0	0.0	0.0								85.2		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		2,052	96.0	100.0	0.0	0.0	0.0	0.0	0.0								98.0		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
OpEx of Taxonomy-non-eligible activities	85	4.0
TOTAL	2,137	100.0

Y - Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective; N - No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective; CCM: Climate Change Mitigation.

Turnover
The proportion of taxonomy-eligible and taxonomy-aligned activities of the total turnover in the reporting year must be determined in accordance with the Taxonomy Regulation. The KPI for turnover is the ratio of taxonomy-eligible or taxonomy-aligned turnover to the total Group turnover for the reporting year.

Overall, the denominator takes into account all turnover of the Daimler Truck Group. The turnover reported in the Consolidated Income Statement amounted to €54,077 million in the 2024 reporting year (refer to Note 4. Revenue in the Notes to the Consolidated Financial Statements).

To determine the numerator, the turnover was examined as to whether it was generated in connection with the production, leasing or financing of vehicles (taxonomy-eligible). Turnover not related to vehicle production or leasing/financing has been excluded. Turnover is then assessed to determine whether it meets the technical screening criteria for the respective activity.

If turnover related to the activities cannot be clearly assigned to the taxonomy-eligible or taxonomy-aligned proportion, they are generally assigned using an allocation key, for example for turnover in connection with spare parts and services. The base for the allocation of turnover from the sale of spare parts that cannot be clearly assigned are historical sales figures. Turnover from service contracts that cannot be clearly assigned is similarly allocated.

In the 2024 reporting year, €791 million or 1.5% of the turnover was classified as taxonomy-aligned and €51,325 million or 94.9% as taxonomy-eligible. In the prior year, €508 million or 0.9% of turnover were classified as taxonomy aligned and €53,389 million or 95.5% as taxonomy eligible. The increase in taxonomy-aligned sales results from the increased sales of low-CO_2e vehicles.

The following table ↗ **B.48** shows the main distribution of the proportion of turnover among the environmental objectives.

B.48
Proportion of turnover/total turnover

in %	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1.5	94.9
CCA	–	–
WTR	–	–
CE	–	–
PPC	–	–
BIO	–	–

CCM: Climate Change Mitigation; CCA: Climate Change Adaptation; WTR: Water and Marine Resources; PPC: Pollution Prevention and Control; CE: Circular Economy; BIO: Biodiversity and Ecosystems

Capital expenditure
The KPI for CapEx is the ratio of taxonomy-eligible or taxonomy-aligned capital expenditure to total capital expenditure in accordance with the Taxonomy Regulation for the reporting year.
For the denominator, all additions to intangible assets and property, plant and equipment, equipment on operating leases, as well as additions to right-of-use assets in accordance with IFRS 16, including additions to the aforementioned assets in the context of business acquisitions, are included. Acquired goodwill is not included.

To determine the numerator, the investments are analyzed to identify whether they are related to the production or leasing/financing of vehicles. These taxonomy-eligible investments are further examined to determine whether they meet the technical screening criteria associated with the activity.

In the 2024 reporting year, the numerator consists of the following components:

1. CapEx A: Capital expenditure associated with taxonomy-aligned economic activities. This also includes capital expenditure for the expansion of taxonomy-aligned economic activities that were completed in reporting year 2024. €147 million was attributable to CapEx A in the 2024 reporting year.
2. CapEx B: Investments for the expansion of taxonomy-aligned economic activities that were not completed in the 2024 reporting year. In relation to these investments, a “CapEx plan” is to be published. The CapEx plan covers a timeframe of five years and the included investments can be exclusively assigned to activity 3.3. The capitalized research and development costs included relate to the development of Battery Electric Vehicles (BEV) and Fuel Cell Electric Vehicles (FCEV). Important milestones of the CapEx plan, such as the completion of major development projects, are regularly published on the Daimler Truck Group’s website. The investments within category “CapEx B” amount to €210 million in the reporting year 2024. The CapEx plan includes expenditures in a range of €3,700 million to €3,900 million which are planned for the period from 2025 to 2029.

Where capital expenditure could not be clearly determined as taxonomy-eligible or taxonomy-aligned, generally, an allocation based on future sales figures has been made. The basis is the approved business plan.

The proportion of the CapEx KPI reported as taxonomy-aligned consists of additions to property, plant and equipment including right-of-use assets (2024: €193 million; 2023: €134 million) and additions to internally generated intangible assets particularly from capitalized usage rights (2024: €166 million, 2023: €121 million). In the 2024 reporting year, there were no taxonomy-aligned additions from acquisitions due to business combinations.

The total amount of investments can be reconciled to the Group additions in the reporting year (refer to Note 10. Intangible assets, Note 11. Property, plant and equipment and Note 12. Equipment on operating leases of the Notes to the Consolidated Financial Statements).

In the 2024 reporting year, €359 million or 9.9% of the capital expenditure was classified as taxonomy-aligned and €3,261 million or 89.8% as taxonomy-eligible. In the prior year, €255 million or 7.5% of investments were classified as taxonomy aligned and €3,139 million or 92.2% as taxonomy eligible. The change compared to the previous year was mainly due to higher investments on the Mercedes-Benz Trucks segment.

The following table ↗ B.49 shows the main distribution of the proportion of capital expenditures among environmental objectives.

B.49
Proportion of CapEx/total CapEx

in %	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	9.9	89.8
CCA	–	–
WTR	–	–
CE	–	–
PPC	–	–
BIO	–	–

CCM: Climate Change Mitigation; CCA: Climate Change Adaptation; WTR: Water and Marine Resources; PPC: Pollution Prevention and Control; CE: Circular Economy; BIO: Biodiversity and Ecosystems

Operating expenditure

The KPI for operating expenditure is the ratio of taxonomy-eligible or taxonomy-aligned operating expenditure to the relevant direct, non-capitalized costs (research and development, building renovation measures, short-term lease, maintenance and repair) in the reporting year.

The total operating expenditure to be included in the denominator comprise the volume pursuant to Appendix 1 of the Delegated Act on Article 8 of the Taxonomy Regulation. For determining the numerator, operating expenditures are assessed according to whether they are related to the production or leasing/financing of vehicles (taxonomy-eligible).

Furthermore, they are assessed for the fulfillment of the technical screening criteria associated with the activity. In the 2024 reporting year, the following OpEx components are included in the numerator:

1. OpEx A: Operating expenditure associated with assets or processes that are part of taxonomy-aligned economic activities. These amounted to €308 million in the 2024 reporting year.

2. OpEx B: Operating expenditure relating to the expansion of taxonomy-aligned activities. In relation to these expenditures, an “Opex Plan” needs to be published. The OpEx plan is seen as part of the CapEx plan and fulfills the criteria set out there.

   Expenditures assigned to OpEx B amounted to €89 million in the 2024 reporting year. The OpEx plan has a range of €1,800 million to €2,000 million in expenses, which are planned for the period from 2025 to 2029.

In the case that operating expenditure cannot be clearly determined as taxonomy-aligned or taxonomy-eligible, sales-based allocation keys are applied in principle. For research and development expenditures that cannot be directly allocated, these are generally based on the business plan. For other operating expenditure that cannot be directly allocated, the allocation keys are generally based on actual values.

In the 2024 reporting year, €305 million or 14.3% of operating expenditure was classified as taxonomy-aligned and €1,747 million or 81.8% as taxonomy-eligible. In the prior year, €288 million or 12.9% of operating expenditure were classified as taxonomy aligned and €1,908 million or 85.2% as taxonomy eligible. The higher EU Taxonomy aligned operating expenditure mainly result from increased non-capitalized research and development costs for completed and ongoing projects (+€17 million).

The following table ↗ B.50 shows the main distribution of the proportion of operating expenses among environmental objectives.

B.50
Proportion of OpEx/total OpEx

in %	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	14.3	81.8
CCA	–	–
WTR	–	–
CE	–	–
PPC	–	–
BIO	–	–

CCM: Climate Change Mitigation; CCA: Climate Change Adaptation; WTR: Water and Marine Resources; PPC: Pollution Prevention and Control; CE: Circular Economy; BIO: Biodiversity and Ecosystems

Social

Our people (ESRS S 1)

More than 100,000 people worldwide contribute to the success of our Company with their skills, ideas and commitment: Our employees should be at the heart of everything we do. We want to create a working environment for them in which occupational safety, health and well-being are prioritized. We are committed to a safe, fair and inclusive working environment in which our employees can develop their full potential.

Our employees play a decisive role in shaping our Company. We want to encourage their commitment and expand their opportunities to shape things. With our "Impact Culture" we focus on working together: As a global team, we create progress together because every individual counts and makes a difference. What we do has an impact.

Material impacts, risks and opportunities

Technological change, in particular, brings with it opportunities and risks in relation to our own workforce. As part of the transformation of our products, new qualification requirements arise, which pose challenges both in terms of the qualification of the existing workforce and in talent acquisition. Closely linked to this, topics such as diversity and a positive corporate culture open up opportunities in the transformation.

Table ↗ **B.51** shows the material impacts, risks, and opportunities related to the Company's own workforce.

B.51

Material impacts, risks, and opportunities related to one's own workforce[1]

Category	Title	Description
Positive impact (OO)	**Our business activities create jobs in 30 countries (S)**	Secure jobs contribute to economic growth and thus provide a secure livelihood for our employees.
Negative impacts (OO)	**Technological changes lead to changing demands on our employees and can therefore lead to increased occupational stress (S)**	The technological changes in our products (e.g., battery-electric and hydrogen-based vehicles) are leading to higher demands on our employees, which may result in an increased need for retraining and further education measures as well as an increased workload for our employees in the absence of resources and support.
	Inadequate occupational safety and health management can lead to health impairments (S)	Despite well-established occupational safety and health management, work-related accidents or illnesses can never be completely avoided.
Opportunities (OO)	**An attractive corporate culture can attract talents**	Our attractive corporate culture, supported by employer branding as well as strong junior programs and target Group-specific recruiting, can attract talent worldwide and thus secure access to skilled workers.
	Diversity in the work environment can promote creativity and performance	A diverse workforce can lead to greater creativity, higher productivity, better decision-making and greater employee engagement, which in turn improves performance and financial results.
Risks (OO)	**Inadequate human rights processes can lead to significant financial and reputational risks**	Lack of processes and measures to respect human rights can lead to human rights violations and, as a result, financial and reputational risks.
	New required skills can lead to challenges in talent acquisition and employee training	Technological change in our industry may create challenges related to the lack of availability of sufficiently qualified workers, as there may be delays in recruiting skilled workers and providing training to our employees.
	Unequal treatment in employment relationships can lead to financial and reputational risks	Unequal treatment and discrimination within our own workforce can have a negative impact on our employees and can lead to financial and reputational risks.

1 Legend: (OO) Own operations; (S) Short-term time horizon.

Our organization and management approach

The impacts, risks and opportunities affect the people within the own workforce of Daimler Truck Holding AG and Daimler Truck AG as well as the controlled Daimler Truck Group companies.

The definition of employees in the reporting year is based on all persons with an active fixed-term or permanent contract with a Group company, measured by headcount, including senior managers, part-time employees, domestic employees, international employees, trainees and interns including doctoral students, master's and bachelor's students and students conducting research in the Company as part of a thesis, as well as employees on maternity leave and long-term sick leave.

The total number of external workers in headcount includes all persons who primarily carry out “employment activities” in the area of “placement and supply of labour” (NACE code N78), including, for example, temporary and agency workers.

Through our business model, we focus in particular on two groups of employees: our employees in production and our employees in administration. In principle, we do not differentiate between employment groups when evaluating material impacts, risks, and opportunities. However, due to the transformation of our products and drive technologies, measures naturally differ, for example in occupational safety, retraining, training, and the recruitment of skilled workers.

The Human Resources department
In order to enable a continuous exchange between the individual functions and the best possible decision-making in the interests of the entire Group, the Truck Human Resources Operations Committee (TH OpCom) meets regularly as the highest human resources (HR) decision-making body. It is chaired by the Board member responsible for HR. To ensure that the HR functions are closely integrated into the operational business, the HR business partners are integrated into the management bodies of their areas of responsibility.

The organization and responsibility are based on a global HR structure. The HR area consists of various functions that work along the entire HR value chain. HR business partners advise and support our employees in relevant, strategic HR topics and implement them together. We are set up along the segment structures so that each segment has its own HR responsibility. In addition, cross-functional topics such as personnel development, HR compliance, labor policy, and remuneration are bundled in so-called Centers of Competence (CoC) with a global governance function.

The Health and Safety department
The organizational responsibility at Group level lies with the Health & Safety department, which includes the areas of occupational medicine, occupational safety and ergonomics, social counseling, and company health promotion. The occupational safety and health protection strategy is further developed and implemented globally in a regular, worldwide exchange. At our locations, there are reporting lines from the occupational safety and health departments to the respective location management, as well as to the Health & Safety department. In each quarterly meeting, the Board member for HR is involved in relevant topics such as accident and risk management, safety culture, measures to promote health and safety competence, and preventive examinations by the senior corporate doctor and the senior corporate safety engineer.

The Safety Board Germany includes a Member of the Board of Management, site managers, and safety managers. The aim is to discuss safety culture issues and to develop and adopt common standards. There are plans to introduce these safety Boards for other regions and the entire Group.

The Diversity, Equity & Inclusion department
The Diversity, Equity & Inclusion (DEI) management creates the framework for a diverse and inclusive corporate culture and is located in the HR department. The team develops strategic fields of action in collaboration with the global DEI network, consisting of DEI experts from various organizational units worldwide, and in coordination with all business areas. The network also initiates cross-functional projects, training and awareness-raising actions, such as the annual Diversity Day, along the diversity dimensions of the Diversity Charter.

The internationally active DEI Advisory Board consists of senior managers from all organizational units as well as DEI experts and representatives of underrepresented groups. The DEI Advisory Board is chaired by the Chairman of the Board of Management of Daimler Truck Holding AG and Daimler Truck AG.

The Board meets once a quarter and decides on the strategy and relevant topics relating to diversity, equal opportunities, and inclusion. The DEI Advisory Board also advises the Daimler Truck Board of Management and anchors the topic in the business units. In working groups, the members of the DEI Advisory Board work on topics such as integrating equal opportunities and inclusion in HR processes or promoting an inclusive working environment in the production plants. The initiatives discussed in the Board are further advanced by the global DEI network in accordance with local requirements. One focus in the reporting year was the development and establishment of regional DEI Councils to further strengthen an inclusive work culture in the various regions - in accordance with the "think globally, act locally" approach. For units with an increased risk of discrimination, the appointment of a diversity representative is intended to ensure that potential cases can be effectively addressed and, where necessary, remedied by a local contact person.

The involvement of our employees

We want to promote the commitment and cooperation of all employees and ensure that we treat each other openly and with respect. This has shown once again that we can rely on constructive cooperation with employee representatives and trade unions. It is one of our core beliefs to work together in a spirit of trust with elected employee representatives and trade unions. This is the only way to successfully overcome the many challenges and exploit opportunities together.

We recognize the right of our employees to form employee representatives, to collective bargaining to regulate working conditions and their right to strike under applicable law. Based on this, it is our common concern to agree on constructive regulations and solutions that are in the interests of the Company and employees and thus form a sustainable and strong foundation for a successful future for Daimler Truck.

At the international level, the European works council (EWC) and the World Employees' Committee (WWC), which are grouped together under one roof, have continued their work. They meet twice a year, once virtually and once in physical form. They want this international cooperation to serve as a role model worldwide. Currently, 16 countries are represented based on the number of employees they have, with a total of 28 representatives sent. In our companies in the European Economic Area, we have agreements for representation by a European works council, a works council of a Societas Europaea (SE) or a works council of a Societas Cooperativa Europaea (SCE). Further information about the works council and international committees can be found at www.daimlertruck.com/en/works-council/international-councils.

The employee representatives elected for the respective legally prescribed electoral period were active at various levels on the basis of the Co-Determination Act and the Works Constitution Act. The focus of the Supervisory Board was Daimler Truck's strategy, including in relation to economic success and sustainability. Furthermore, a particular focus of global cooperation is the successful design of the transformation towards CO_2e-free mobility and digitalization. The common goal is to create an economically sustainable and successful Company while at the same time providing social security for employment. An important measure in this context is the development of the future visions of the individual locations. Important milestones were reached last year with product commitments and the establishment of CoCs for future technologies. In addition, financing for technology projects was secured through a transformation fund.

Employee survey

Our employee survey is an important tool for entering into direct dialogue with our employees. We want to methodically measure and understand what motivates our employees and enable a comprehensive and standardized measurement of the Group and its teams. The employee survey is considered an important indicator for determining where we stand in the areas such as satisfaction, commitment, compliance and health - and in which areas we have potential for development.

Managers are therefore encouraged to engage into dialogue with their employees and take appropriate actions to ensure continuous development.

The annual Group-wide survey was also carried out this year. With over 100,000 employees, the participation rate has risen to 85% (2023: 82%). The results of our 2024 employee survey show a stable trend with a slightly positive development across all topics. On a five-point scale from 1 (strongly disagree) to 5 (extremely satisfied), the general satisfaction of the workforce with the Company is also reflected in an average of 4.06. Our areas of focus in the follow-up process - the discussion of results and the derivation of appropriate actions for the development of the workforce - was significantly increased to an average of 3.91 (2023: 3.83). We want to further expand on the developments achieved and use the willingness of all employees to shape our corporate culture together. The Board member for HR is responsible for all of the types of involvement mentioned.

Reporting channels for our employees

We have a global whistleblowing system called SpeakUp for anonymous and non-anonymous reporting and investigation of potential violations and misconduct. In the reporting year, we again surveyed our workforce on their level of awareness of the structures and their trust in the SpeakUp whistleblowing system. To support this transparency, we regularly carry out various communication measures.

In the reporting year 2024, three cases of discrimination[1] were reported in the SpeakUp whistleblowing system. Of these, one case fell into the category of "sexual harassment", one case into the category of "racism" and one case into the category of "reputational damage". The Company decides on appropriate measures based on the aspects of proportionality and fairness. Personnel measures in the 2024 reporting year included extraordinary dismissals and warnings. In addition to these cases of discrimination, 231 further complaints[2] related to potential human rights violations within the Company's own workforce were reported through the SpeakUp whistleblowing system.

No significant fines, sanctions or damages were imposed for these cases and complaints. In the reporting year 2024, one severe incident related to human rights[3] was identified within the Company's own workforce. This does not constitute a case of non-respect with the UN Guiding Principles on Business and Human Rights, the Declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises.[4] No fines, sanctions or damages were imposed.

If a violation is identified, remedial actions are determined and implemented taking into account the aspects of proportionality and fairness. Depending on the severity of the case, the remedial measures may lead to termination of employment and criminal charges. Those affected are also offered social counseling. Further information on our SpeakUp whistleblowing system can be found in chapter Responsible corporate culture.

1 "Discrimination" in the context of our SpeakUp whistleblowing system includes all major risk cases/corporate cases in the categories of discrimination, sexual harassment and racism.
2 Complaints include all reports submitted anonymously or non-anonymously by both employees and external parties through the available SpeakUp channels. Reports include all types of complaints (except spam), regardless of their severity, measurement or categorization.
3 Severe human rights incidents are defined as cases reported through the Daimler Truck Whistleblowingsystem SpeakUp, which were investigated at corporate level (corporate relevant cases), closed with merit and relate to one of the following human rights relevant case categories: (1) Severe injury to physical or mental well-being (2) Violations of human rights that can be categorized as severe by virtue of one or more of the following characteristics: it's scale, scope or irremediability.
4 Daimler Truck defines that cases of non-respect of UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and OECD Guidelines for Multinational Enterprises are cases relating to non-compliance with human rights due diligence obligations directed against the Daimler Truck AG or one of its Group companies in a legal proceeding or regulatory investigation, which resulted in a final and binding decision against Daimler Truck and/or is not disputed by Daimler Truck.

Actions and results

We have taken various actions to address the material impacts, risks and opportunities relating to our employees. The actions primarily relate to the following areas:

- Corporate culture and talent acquisition
- Qualification and development of our employees
- Actions to promote diversity, equity and inclusion
- Actions for occupational safety and health protection

Below we present our actions based on the employee journey. This shows that our actions begin with recruiting, i.e., before the actual employment. All key figures that concern our employees in this chapter are determined on the basis of the total workforce in headcount. The basis for determining the key figures is the number of all employees who were employed at Daimler Truck Group as of December 31, 2024. The underlying number of employees corresponds to the number shown in table ↗ B.55.

Recruiting and employer branding
We want to be a good and attractive employer - both for our own employees and for the various target groups in the global labor market. The internal and external employer campaign with the slogan "You make us" launched across the Group in 2023 and was established globally in 2024. Through it, we increase our level of awareness as a Company and at the same time show our employees appreciation for their daily work. It also aims to convey our corporate culture, the "Impact Culture", and our employer brand internally and externally and to strengthen our identity. The focus topics are sustainability, future technology, individual development, global workforce as well as diversity, equity and inclusion.

The employer branding and recruiting activities are based on the Company strategy, the needs of the functional departments, the expectations of the target groups and the conditions on the labor market in the short, medium, and long-term. We specifically recruit talent with digital skills and expertise in new technologies. Further information about our corporate culture and values can be found at www.daimlertruck.com/en/career/who-we-are.

Diversity in talent acquisition
We promote diversity even before talents join the Group. As a cooperation partner of the FEMTEC network in Germany, we promote entry-level engineers and offer female students from the fields of mathematics, computer science, natural sciences and technology (STEM) insights into the Company as well as opportunities for exchange and collaboration.

Diversity is also very important to us in our current and ongoing Group-wide recruiting: 47.5% of new hires in our trainee programs in the reporting year were women. We also place a particular focus on training young people with disabilities. In Germany, there is a Company-wide agreement on the recruitment of severely disabled trainees aimed at simplifying the application process for individuals with disabilities.

Actions for further training and competence development

Promoting the development of our employees through a diverse range of qualification opportunities and flexible learning methods is an essential field of action according to our double materiality analysis. The knowledge and skills of our employees form the foundation of our global success. As part of the profound transformation in our industry, job profiles, activities and requirements are changing.

We invest strategically in the further training and skills development of our employees and continue to expand our personnel development programs. In order to successfully manage digital and technological change, we focus on diverse and needs-oriented training programs for our employees.

E-learning
We offer our employees access to various e-learning platforms across the Group. Every employee has free access to LinkedIn Learning and can access over 24,000 web-based learning opportunities in 13 languages continuously, flexibly and regardless of time and place. Since October 2024, Udemy Business has been available as an additional e-learning platform for in-depth courses on topics such as IT and software engineering.

Qualification actions
To ensure that our employees have the necessary qualifications for the respective topic, for example in high-voltage safety, handling components of hydrogen drives or the legal framework of emissions legislation, the qualification actions are divided into five clusters: New Drivetrain, Classic Drivetrain, Software & Electronics, Sustainability and Methods and Tools for Engineering. All employees across the Group can find the appropriate training programs tailored to business needs and individual requirements in our Learning Management System (LMS). Depending on the required level of qualification, we work with universities, for example, through various “Academic Programs”, develop and teach our own learning content, and we use accredited training providers with the appropriate learning formats.

Promoting health and safety competence
We offer training courses Germany-wide that focus on employee health and safety and go beyond the boundaries of the workplace (e.g., occupational safety, ergonomics, healthy lifestyle, mental health, physical exercise, nutrition, sleep, substance abuse, etc.).

Leadership development
A key foundation of our corporate culture and employer attractiveness is a good leadership and collaboration culture. The basis and behavioral anchor for this is described and defined by "Great Leadership Behavior". In 2022, we launched "DTR0CKs", a Group-wide training program designed to help leaders experience and reflect on Great Leadership Behavior and take the first steps towards integrating it into their daily leadership work. This program has created a safe space in which leaders can reflect on the challenges and exchange perspectives.

In recognition of its remarkable success, “DTR0CKs” was awarded the “Excellence in Practice” Award in Silver by the European Foundation for Management Development (EFMD) in 2023. Building on this success, a new wave of “DTR0CKs” was launched in 2024 to jointly drive the transformation of our industry.

Potential management
In 2024 we continued to integrate Great Leadership Behavior into the performance and potential processes for both managers and employees, to ensure our cultural values are consistently represented.

Under the term “Impact Compass”, we support managers in their leadership role. In this way, we embed the Daimler Truck culture in everyday life, offer transparency and orientation, and promote personal and professional development by involving all of our employees, from the Board of Management to the clerks, in the entire process. In the reporting year, we were also able to roll out the Impact Compass worldwide down to the clerk level. As a result, we now have a global and consistent performance management and personnel development system at Daimler Truck. The personal 360° feedback process, now introduced across the Group, plays as a pivotal role in driving cultural change and has received positive feedback from the workforce. In addition, the global Impact Compass enables new approaches to identifying and promoting the performance and potential of our employees.

In the reporting year, the digital learning curriculum “Emerging Leaders Journey” (ELJ) was also launched as a new process for developing future leaders worldwide. The aim of the new leadership program is to develop qualified leaders for Daimler Truck while promoting diversity and multi-perspective thinking.

Actions for the development of corporate culture

We want to give employees the opportunity to share their opinions and contribute to the development of our corporate culture.

Employee survey
The increasing participation rate in the annual, Group-wide employee survey shows that employees trust that their opinion counts. As soon as the results of the employee survey are available, managers are encouraged to engage in dialogue with their employees and derive appropriate measures from the results of the survey. These actions should be integrated into the Company concept and serve the purpose of continuous development. The HR organization provides support materials and tools for this, such as learning materials, training courses, videos and exchange platforms.

Human rights compliance
With our Human Rights Compliance Management System (Human Rights CMS), we take a systematic approach to fulfilling human rights due diligence obligations. The Human Rights CMS applies to our group companies and majority shareholdings as well as to our value chain. It is based on the requirements of applicable laws and internationally recognized standards such as the UN Guiding Principles on Business and Human Rights. These form the basis for regulatory and legislative requirements for business and human rights worldwide. Systematic risk analyses and specific measures tailored to mitigate identified negative impacts serve to fulfill our human rights due diligence obligations. The measures include, for example, mandatory training on human rights for relevant functions such as purchasing and guidelines for responsible conduct of security forces.

In the reporting year, the following risk areas were identified for the Group companies and majority shareholdings as part of the risk analysis in accordance with the German Supply Chain Due Diligence Act (LkSG):

- Disregard for occupational safety and health hazards
- Discrimination / the prohibition of unequal treatment in employment

Supplier due diligence and the handling and processing of tip-offs related to potential human rights violations via our whistleblowing system SpeakUp are also an integral part of the Human Rights CMS. Further information can be found in the chapter Human rights in the value chain.

Human resources compliance
The aim of human resources compliance (HR compliance) is to ensure that HR work is compliant with regulations and that appropriate labor and social standards are maintained across the Group. This is done in accordance with Daimler Truck's corporate values and HR strategy by adhering to legal requirements, regulatory standards, Group-wide voluntary commitments and ethical principles.

In order to implement international regulatory requirements and national laws, that apply to Daimler Truck due to its global activities, uniformly in all Group companies, processes and standards are defined across the Group. The aim is not only to ensure high working and social standards for the workforce, but also to establish measures to prevent and combat discrimination, promote equal opportunities and support diversity, and inclusion. The effectiveness of compliance in the HR area is continuously monitored and adjusted using monitoring instruments and evaluation processes.

The Board member for HR of Daimler Truck Holding AG and Daimler Truck AG, along with his management team, the TH OpCom, bears overall responsibility for HR practices and compliance. They approve the requirements set out in the HR Compliance Policies and ensure their implementation and compliance through the HR Compliance Management System.

This system helps to promote a respectful, trusting and inclusive corporate culture and is intended to ensure appropriate labor and social standards and compliant HR work throughout the Group.

Actions to promote diversity, equity and inclusion

As a signatory to the Diversity Charter, our DEI management focuses on equal opportunities for employees across all seven diversity dimensions: age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and ideology, sexual orientation and social background. We reinforce our principles as a participant in the UN Global Compact, as a member of the employer initiative Charta der Vielfalt e.V. and the European Women's Management Development Network e.V.

Inclusive corporate culture
Employee Business Resource Groups enable our employees, who share common interests, experiences and values, to exchange ideas across all levels and departments in the Group. Our networks help to anchor a culture of diversity and appreciation in the Company. At the same time, they support us as partners in dialogue in the development of our actions relating to diversity, equity and inclusion. We have seven Company-wide networks and many other regional Groups worldwide. These are primarily cultural, gender-related and LGBTIQ+ networks. To promote exchange between the networks, the DEI Management team organizes regular meetings. Sponsors from top management support the networks in their work and give them more visibility internally and externally.

In addition, the internal "Global Inclusion & Diversity Community" on the social intranet is the platform for all employees across the Group who want to help shape diversity, equity and inclusion in the Company. The community provides important and up-to-date information on the topic while offering opportunities to network, ask questions, and contribute ideas. An integrated learning platform brings together all global offers for our employees for self-learning and self-reflection as well as activities and exercises for team building.

In addition, all recommendations and guidelines for creating an inclusive work culture are stored on the site.

Daimler Truck pays particular attention to maintaining a healthy work-life balance. In addition to childcare facilities on behalf of Daimler Truck and in cooperation with external partners, we support our employees with various solutions for childcare and senior care at various locations around the world, such as in Germany and the USA, in order to specifically close care gaps.

We also recognize social responsibility and want to stand up for our corporate values not only internally but also externally. Therefore, in addition to participating in the USA, Daimler Truck also showed its support for the queer community for the first time in Germany by taking part in the Stuttgart PRIDE Parade.

Managers as role models
As a common basis for shaping the management culture, our Group-wide e-learning module "Inclusion in Mind!" is mandatory for all managers up to Board level and is available in nine languages. The aim of the training is to raise awareness of appreciative cooperation and possible stumbling blocks and to show what contribution each individual can make. It also teaches learners what effective methods there are to reduce possible prejudices and resolve conflicts.

The Inclusion Index is used across the Group at Daimler Truck as a measure of an inclusive work culture. It is based on four questions from the annual employee survey and expresses how inclusive the work environment is perceived by our employees. Managers receive the Inclusion Index as an individual score for their own team. Accompanying documents for self-reflection and for discussion in the team support managers in making their leadership behavior more inclusive and entering into dialogue with their team. In the reporting year, Daimler Truck also placed a further focus on co-leadership as a life-phase-oriented model.

For this purpose, a virtual exchange platform was set up for managers in Germany to enable them to exchange ideas on the topic of co-leadership in a self-directed manner and to find suitable tandem partners for positions. The 15-month women's advancement program at our European locations "She@Truck" was launched in 2022. The program is embedded in the development of high-potential employees at the middle management level and includes an individual learning program with mentoring and coaching. An important part of this concept is that both the sponsors and the mentors of the top two management levels below the Board of Management are involved in order to raise even greater awareness of their contribution to more diversity in the composition of management positions.

At the end of the reporting year, the proportion of women in management positions (levels 1-4) was 20.5% (base year 2022: 18.6%). We aspire to increase the proportion of women in management positions to 25% by 2030 (complying with local laws, regulations and restrictions that may apply). This aspiration was developed together with the responsible departments, with input from employee representatives, and agreed with the Board of Management and the Supervisory Board. The progress in the proportion of women determined from our HR reporting systems is regularly evaluated and compared by the Board of Management.

In addition, we aim to define further targets to address the identified material impacts, risks and opportunities.

B.52
Gender distribution in top management

	Number	%
Top Management (Level 1 and 2)		
Male	175	84.5
Female	32	15.5
Other	0	0
Not reported	0	0
Total	207	100

B.53

Age distribution among employees

	Number	%
Under 30 years	22,888	20.5
Between 30 and 50 years	59,994	53.8
Over 50 years	28,533	25.6
Total	111,415	100

Actions for occupational safety and health protection

In order to prevent accidents at work and work-related illnesses, we rely on a holistic occupational health and safety management system. All actions are continuously reviewed and further developed. In addition to statistical key figures, for example from health and accident reports, the Health & Safety department also relies on personal feedback, the evaluation of surveys and the tracking of actions in the event of accidents at work when tracking the effectiveness of the actions.

Our internal Group-wide initiative “WE CARE ABOUT US”, which was founded to pursue the goals of Vision Zero[1], was further advanced in the 2024 reporting year. For example, world health days such as “World Day for Safety and Health at Work” and “World Mental Health Day” were taken up. Attention was drawn to these topics through numerous offers and actions, both digitally and on site.

We also maintain a "Health & Safety Wiki" on the social intranet, which we update regularly. There, our employees can find important information, procedures, and best practices on workplace health and safety. The aim is to make access to all important sources of information as easy as possible.

Certification

In the reporting year, 14 locations of our companies in which we hold a majority stake were certified according to ISO 45001. In the reporting year, the Daimler Buses locations in Neu-Ulm, Bavaria and Mannheim, Baden-Württemberg were certified. Furthermore, the Ligny, France location is scheduled for ISO 45001 certification in 2026. This is intended to further increase safety and health at work and bring about a sustainable reduction in accident rates.

In addition to external certification audits, we check every three to five years whether the binding safety standards of our corporate policy on occupational health and safety are being adhered to at the production sites and whether a functioning management system for safety and health is in place. The aim is to increase occupational safety at the site. This is supported by defining actions and tracking them. A report is also prepared for each due diligence audit and made available to the site manager. A final report for each business unit is prepared for the Board of Management. In the reporting year, we were able to evaluate a total of ten sites in Argentina, Germany, France, Mexico, Spain, Türkiye, the Czech Republic and the USA. Additional sites in Japan, Mexico, South Africa and the USA are planned for auditing in 2025.

Occupational safety

We pursue a preventive approach and assess the risk potential of workplaces and processes at an early stage. In order to implement this, instruments and risk assessment processes have been defined that correspond to local regulations. The specified global standards regarding occupational health and safety management (including risk assessment) and technical minimum standards (for example, safety standards for machinery and equipment) must be implemented by our locations.

The aim is to promote risk awareness among employees and careful behavior. In addition to the annual workplace-specific instruction on safety-related aspects, new employees receive general initial instruction. In addition, external companies receive an external company briefing before entering the plants.

Our employees also bear personal responsibility for their occupational safety and health by carrying out their work in a safety-conscious manner. Safety risks and near-accidents must be reported to the manager at each location and are dealt with during regular meetings in production and administration (shop floor management). We record information about occupational accidents and risks using our accident documentation systems. Country-specific reports are prepared and actions are derived to reduce accidents. The aim is to continuously improve our employees' workplaces, environments and processes and to actively involve them in the design process.

Ergonomics

During the financial year, the internal general works agreement on ergonomics was revised to create a holistic group works agreement titled “Ergonomics in Development, Planning, and Operations”.

Across the Group are employees made aware of ergonomics and occupational safety issues. In the reporting year, Corporate Safety & Ergonomics, among others, provided online training, videos and various information portals in line with local requirements. In addition, in the reporting year we provided a Germany-wide, cross-location digital health offering on the topics of exercise, nutrition and relaxation in order to raise awareness of health in a long-term and sustainable manner.

1 Vision Zero is a prevention approach based on the assumption that all accidents, injuries and work-related illnesses are preventable.

Health protection

We are committed to ensuring our employees' right to physical and mental health and providing a safe working environment. We offer our employees in Germany occupational healthcare and advice. In addition to occupational health checks and suitability examinations as well as medical consultations, employees can take the Daimler Truck "Health Check" every three years and receive a flu vaccination every year. The aim is to motivate employees to lead a healthy lifestyle and to provide them with suitable actions.

B.54

Health and safety

		2024
Employees working at a site with ISO 45001 certification	Number	35,995
	Percentage in relation to total workforce[1] (in %)	32.3
Number of fatalities resulting from work-related injuries	Fatalities of employees	0
	Fatalities of foreign workers[2]	0
	Fatalities of workers from TEA[3]	0
Number of fatalities due to work-related diseases	Number	0
Recordable work-related accidents[4,6]	Number	1,891
	Rate	9.4
Recordable work accidents according to LTIR[4,5,6]	Number	1,354
	Rate	6.8

1 The calculation of the percentage of ISO 45001 certification was adjusted according to ESRS specifications. The scope was expanded to include all employees and locations worldwide.

2 External workers are workers with a plant or service contract.

3 Temporary Employment Agencies (TEA).

4 The scope includes all locations worldwide. For smaller locations, an extrapolation logic is applied that is based on accident indicators published by OSHA and assigned to the business purpose of the respective location. Locations to which this logic is applied represent a maximum of 10% of the total number of employees.

5 Lost Time Injury Rate (LTIR); number of all occupational accidents resulting in at least one day of absence per 1 million hours of attendance. It’s an entity-specific disclosure.

6 Key figure does not include commuting accidents.

Characteristics of employees

The key figure on fair wages (S1-10) was collected from the subsidiaries, which together represent 95% of the total head count. For the gender pay gap and total compensation key figures (S1-16), an estimate was made based on data from over 94% of the global workforce. All other key figures in this chapter, excluding health and safety metrics, are collected from all subsidiaries in the scope of consolidation that employ people.

B.55

Number of employees, broken down by gender

Gender[1]	Number of employees
Male	92,753
Female	18,617
Other[2]	0
Not reported	45
Total employees	**111,415**

1 Gender according to the employees' own statements.
2 Since the number of employees of the gender "other" is zero, it is no longer listed below.

B.56

Number of employees, broken down by country[1]

Country	Number of employees
Germany	38,277
USA	18,106
Mexico	11,023
Japan	10,632
Remaining	33,377
Total employees	**111,415**

1 Countries with 50 or more employees representing at least 10% of the total number of employees.

B.57

Number of employees, broken down by contract type, gender, and region

Contract type	Gender	Total	Africa	Asia	Australia	Europe	North America	Latin America[1]
Number of permanent employees	Male	87,567	1,260	14,064	154	41,395	23,361	7,333
	Female	17,309	282	2,389	91	7,533	5,859	1,155
	Not reported	43	0	8	0	13	22	0
	Total	104,919	1,542	16,461	245	48,941	29,242	8,488
Number of temporary employees	Male	5,186	104	1,508	10	3,110	71	383
	Female	1,308	96	141	12	839	45	175
	Not reported	2	0	1	0	1	0	0
	Total	6,496	200	1,650	22	3,950	116	558
Number of non-guaranteed hours employees	Male	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0
Total	Male	92,753	1,364	15,572	164	44,505	23,432	7,716
	Female	18,617	378	2,530	103	8,372	5,904	1,330
	Not reported	45	0	9	0	14	22	0
	Total	111,415	1,742	18,111	267	52,891	29,358	9,046

1 Excluding Mexico.

During the reporting year, 7,583 employees left the Company. The employee turnover rate in the reporting year was 7.4%. Employee turnover includes all permanent employees who left the Company during the financial year voluntarily or due to dismissal, retirement or death. The turnover rate represents this number in relation to the average number of permanent employees in the reporting year.

Information on the total number of employees can also be found in chapter Corporate Profile.

Collective bargaining coverage and social dialogue

Our employees in the European Economic Area (EEA) are covered by several collective agreements. The proportion of employees covered by collective agreements in the EEA is 96%[1]. The collection of data for countries outside the EEA will only be carried out and taken into account from the reporting year 2025.

B.58

Collective bargaining coverage and social dialog

Coverage rate	Collective bargaining coverage	Social dialog
	EEA employees	EEA employees
	For countries > 50 employees and more than 10% of the workforce	For countries > 50 employees and more than 10% of the workforce
0-19%		
20-39%		
40-59%		
60-79%		
80-100%	Germany (97%)	Germany (99%)

1 The percentage is calculated using the following formula: [(number of employees covered by collective agreements in the EEA)/(number of employees in the EEA)] x100.

Adequate remuneration and compensation systems

In addition to ensuring that the remuneration is appropriate in relation to performance and market practice, the size, complexity and economic situation of the company are taken into account. The focus is also on the consistency of the remuneration system for the Board of Management and the remuneration system for the senior management.

All Daimler Truck employees receive fair remuneration in accordance with the applicable reference values. The CoC for Compensation has introduced an app to ensure global transparency on data on minimum wage and legal requirements. As part of the annual salary review, this department conducts a mandatory global survey via the app at all companies controlled by Daimler Truck. The local HR department verifies the information provided in the app and fills out the questionnaire to confirm compliance with minimum wage laws. In the event of deviations, further investigations are initiated. Both the local HR department and the CoC for Compensation jointly review the feedback to ensure that no employees are paid below the minimum wage.

We compensate for work performed across all Group companies worldwide according to the same principles. Our global compensation policy ↗ **B.63**, which applies to all employee groups, sets out the framework and minimum requirements for the design of the compensation systems. Among other things, it regulates that the level of remuneration is based on the assigned job requirements, including knowledge, skills, responsibility, and decision-making authority, as well as the individual's performance. It does not consider gender, origin or other personal characteristics.

The variable remuneration (Company bonus) of the management levels below the Board of Management for the 2024 financial year is based on financial performance criteria and non-financial sustainability targets. Our HR departments regularly hold individual discussions with our employees to review their income. In this way, we ensure transparency in salary decisions while observing data protection regulations. The respective development potential is also discussed. If employees have legitimate objections to their remuneration, such as concerns about unequal treatment, they can raise the issue with their manager and involve the HR department or the works council.

In companies bound by collective agreements such as Daimler Truck AG, additional rights arise for employees from state laws and the collective agreements. For example, employees have the right to object to the notified pay group or the determined performance result. The remuneration regulations and pay tables are available to employees. Employees of Daimler Truck AG can find out about their pay structure and level online. In addition, employees covered by collective agreements at Daimler Truck AG and its subsidiaries usually receive voluntary benefits that are agreed with the respective employee representatives. These include, for example, employer-financed contributions to pension plans or the possibility of taking out an employee-financed pension plan.

Earnings differences and total compensation

Our analysis of earnings differences covered 37 entities with a total of around 106,000 employees. All employees were included in the study - including permanent employees, employees with fixed-term contracts, interns, students and trainees.

The average gross hourly wage was used to calculate the unadjusted gender pay gap. The key figure is the difference between the average gross hourly wage of male and female employees. This difference is divided by the average gross hourly wage of male employees and multiplied by 100. At Daimler Truck, the gender pay gap according to this calculation method is -15%, to the detriment of male employees. As a manufacturing company, we have a high proportion of employees in the production area. These jobs are generally classified lower than administrative or academic positions. The pay gap in favor of female employees is mainly due to the fact that men disproportionately often work in production-related areas, where remuneration tends to be lower.

The total annual compensation of the highest-paid individual in the Daimler Truck Group is 185 times the median total annual compensation of employees (excluding the highest-paid individual). At Daimler Truck, the highest-paid individual is the CEO of Daimler Truck. To determine the key figure, the total remuneration paid to the CEO in the reporting year was used as a comparison value. The comparison value was determined on the basis of the median of employees worldwide.

Our policies

At Daimler Truck, we follow numerous policies designed to address challenges in managing employee relations in a structured and fair manner. In addition, the policies set out essential principles for our actions.

The following policies are described in more detail in this chapter:

- Declaration of Principles on Social Responsibility and Human Rights at Daimler Truck ↗ **B.59**
- Policy on Occupational Health and Safety ↗ **B.60**
- Violation and Investigation Policy ↗ **B.61**
- HR Compliance Policy ↗ **B.62**
- Global Compensation Policy ↗ **B.63**
- Company agreements ↗ **B.64**

Our Code of Conduct ↗ **B.26**, reinforces our fundamental commitment to respect human rights. It outlines key principles that guide all Daimler Truck Group employees in making responsible decisions, even in challenging business situations. All relevant information on the Daimler Truck Code of Conduct can be found in chapter Sustainability governance and in chapter Responsible corporate culture.

B.59

Declaration of Principles on Social Responsibility and Human Rights at Daimler Truck

Category	Description
Most important content	In the Declaration of Principles, we acknowledge our social responsibility and summarize our commitment to respect human rights. It supplements our commitment under the Daimler Truck Code of Conduct and describes the approach, processes and measures to respect human rights at Daimler Truck. The Declaration of Principles is based on international standards such as the UN Guiding Principles on Business and Human Rights. Important content includes: – Commitment to human rights and good working conditions, in particular: • Rejection of child labor and forced labor, human trafficking, and commitment to their effective abolition • Promoting equal opportunities and rejecting any kind of discrimination • Commitment to the protection of health and safety at work • Promoting education and training for all employees – Description of our Human Rights Compliance Management System (Human Rights CMS), our systematic approach to fulfilling human rights due diligence obligations. The Human Rights CMS applies to the Group companies and majority shareholdings as well as to our value chain. It includes risk analyses, the implementation of preventive and remedial measures as well as continuous development and monitoring. – Governance and responsibilities for implementation and monitoring – Access to redress and our whistleblowing system SpeakUp
General objectives	The general objective is to reinforce our commitment to social responsibility and respect for human rights. It serves as the basis for our activities in the field of human rights and provides clear guidance to both internal and external stakeholders, especially our employees.
Reference to material impacts, risks, or opportunities	In our opinion, the policy can prevent discrimination and violations of human rights, which also reduces reputational and financial risks.
Monitoring process	The risk management for fulfilling human rights due diligence obligations - as described in the policy statement - is monitored by the Daimler Truck Group's human rights officer. In addition, employees and external third parties worldwide can report potential human rights violations via the channels of our whistleblowing system SpeakUp.
Scope	This regulation applies to all employees and members of the managing bodies of Daimler Truck Holding AG and all controlled Group companies.
Responsible organizational level	The members of Daimler Truck's executive bodies are responsible for implementing the Declaration of Principles, while local application is the responsibility of the respective site managers. Daimler Truck's Legal & Compliance department is responsible for overarching human rights activities and reports directly to the CEO. The department works closely with specialist departments that are responsible for the operational implementation of human rights due diligence obligations in the Group, particularly with the HR and Purchasing departments.
Reference to standards and initiatives of third parties	In this context, we commit ourselves, among others, to respecting the following international standards: Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights, ILO Declaration on Fundamental Principles and Rights at Work, UN Guiding Principles on Business and Human Rights, 10 Principles of the UN Global Compact, and OECD Guidelines for Multinational Enterprises.
Consideration of the interests of stakeholders	The Declaration of Principles was agreed and adopted by the Board of Management together with the general works council, the global employee representation of Daimler Truck and the international trade union association IndustriALL Global Union in November 2022.
Availability of the policy for stakeholders	The Declaration of Principles is publicly available in more than ten languages on the Daimler Truck Group website at www.daimlertruck.com/en/sustainability/s-social/human-rights/declaration-of-principles. The Daimler Truck Group employees were also informed of the Declaration of Principles via various internal communication channels, e.g. via the company's own intranet. Our suppliers can also access the policy statement via the Daimler Truck Supplier Portal and were also informed of its adoption there.

B.60

Policy on Occupational Health and Safety

Category	Description
Most important content	This policy defines the responsibilities and objectives in occupational health and safety. It outlines essential and generally applicable requirements for the structure of the occupational health and safety organization and regulations for legally compliant planning and safe operation in the Daimler Truck Group.
General objectives	Our goal is to protect the occupational safety and health of all employees, identify and prevent health risks and hazards, and at the same time promote well-being as a prerequisite for creativity and productivity.
Reference to material impacts, risks, or opportunities	In our opinion, the policy can prevent accident and health risks, which also reduces reputational and financial risks and increases productivity.
Monitoring process	In our annual employee survey, two questions are devoted to the topics of occupational safety, health and well-being in order to obtain a Company-wide mood picture. The key topics of occupational safety and health protection are also regularly discussed, evaluated and further developed with various internal committees, such as the Commission for Occupational Safety, Environment and Health, as well as with works council and Company representatives at all Company levels and with external committees such as the Company health insurance fund's administrative board. In addition, the positive effects of the measures are incorporated into the exchange with managers and employees.
Scope	This policy applies to all employees and members of managing bodies of Daimler Truck Holding AG and all controlled Group companies.
Responsible organizational level	The highest level of the organization responsible for developing and monitoring the implementation of the policy is Corporate Health & Safety.
Reference to standards and initiatives of third parties	We are committed to “Vision Zero” and are part of a global initiative by the Institution of Occupational Safety and Health (IOSH) and the International Social Security Association (ISSA) that aims to prevent work-related accidents and illnesses while promoting the safety, health and well-being of employees.
Consideration of the interests of stakeholders	When drawing up this policy, we have taken into account the interests of all relevant stakeholders to ensure a safe and healthy working environment. These include, for example employees, executives and management, and the works council.
Availability of the policy for stakeholders	The policy is available to all employees at all times via the central policy platform.

B.61

Violation and Investigation Policy

Category	Description
Most important content	This policy is designed to ensure that reported misconduct is handled transparently – from reporting a potential violation to investigation and possible follow-up measures. It is also intended to ensure that the reported circumstances are clarified effectively, transparently and in accordance with the law, taking into account the rights and obligations of all parties involved.
General objectives	The purpose of this policy is to protect and ensure the safety of the Daimler Truck Group, its employees, its contractual and business partners, and external third parties. It is also intended to ensure that violations of applicable laws and the rules of the Daimler Truck Group are investigated effectively, transparently, and in accordance with fundamental rights. The aim is to map the SpeakUp procedure and the responsibilities of the various parties involved in the SpeakUp procedure. The policy also sets out the criteria for assessing and the consequences of a rule violation.
Reference to material impacts, risks, or opportunities	In our opinion, the policy helps prevent discrimination and violations of human rights, which also reduces reputational and financial risks. In addition, the policy supports the timely detection and identification of legal violations in order to avoid damage to Daimler Truck and its employees and to ensure fair cooperation.
Monitoring process	Compliance with our Violation and Investigation Policy is monitored within the framework of standard processes, particularly by management and, among others, by the Compliance and Corporate Audit departments.
Scope	All Daimler Truck Group companies.
Responsible organizational level	The Compliance department under the direction of the Chief Legal and Compliance Officer with a direct reporting line to the Chairwoman of the Board of Management.
Reference to standards and initiatives of third parties	The policy complies with legal requirements, e.g., from the Whistleblower Protection Act.
Consideration of the interests of stakeholders	The policy takes the interests of those affected into account in the procedure. The revision of these regulations, which are subject to co-determination in Germany, was carried out in close coordination and intensive exchange between the responsible departments (Legal, Compliance, Corporate Audit, and HR), the Group Works Council and the Group Spokespersons' Committee.
Availability of the policy for stakeholders	The policy is available to all employees at all times via the central policy platform.

B.62

HR Compliance Policy

Category	Description
Most important content	This policy defines minimum standards for processes within the HR department through control principles. It translates Group-wide regulatory requirements, rules and standards for HR work into operational requirements, responsibilities, processes and standards. It defines instruments and processes for effectiveness evaluation and continuous improvement. The policy is intended to promote a culture of trust and respect through transparent, rule-compliant and value-based HR work, provide a solid basis for the relevant reporting obligations and is an expression of corporate governance.
General objectives	Establish processes and standards for HR work to comply with internationally applicable regulatory requirements and national laws that must be implemented across all controlled Group companies due to Daimler Truck's global activities. Avoid potential risks such as errors and irregularities in daily HR work.
Reference to material impacts, risks, or opportunities	Preventing and combating discrimination, including harassment, promoting equal opportunities, diversity and inclusion. Promoting a culture of trust and respect through compliant and value-based HR work.
Monitoring process	Each HR manager is responsible for implementing and enforcing the provisions of the policy and assessing the effective implementation of the regulations and controls within his or her organization. HR uses control principles to identify relevant risks at an early stage, assess their potential impact and design processes to eliminate or minimize these risks and exploit opportunities.
Scope	This policy applies to all employees and members of managing bodies of Daimler Truck Holding AG and all controlled Group companies.
Responsible organizational level	HR top managers (levels 1 and 2) and heads of HR departments bear overall responsibility for the implementation of and compliance with the provisions of this policy, including the design, implementation and operation of internal controls and the creation of good working conditions for their own workforce.
Reference to standards and initiatives of third parties	UN Guiding Principles on Business and Human Rights, UN International Bill of Human Rights, the fundamental conventions of the ILO, UN Global Compact. This policy is a sound basis for the HR-relevant reporting obligations resulting from the European Corporate Sustainability Reporting Directive (CSRD), the European Sustainability Reporting Standard S1 (ESRS S1) and the German Supply Chain Due Diligence Act.
Consideration of the interests of stakeholders	When creating our policy, we took into account the interests of all relevant stakeholders in order to ensure compliant and value-based HR work. These include, for example employees, executives and management, and the works council.
Availability of the policy for stakeholders	The policy is available to all employees at all times via the central policy platform.

B.63

Global Compensation Policy

Category	Description
Most important content	The Global Compensation Policy sets out the framework and minimum requirements for the design of compensation systems. We strive to compensate for work performed in all Group companies worldwide according to the same principles. Among other things, it stipulates that the level of compensation is based on the assigned requirements of the job - taking into account, among other things, knowledge, skills, responsibility and decision-making authority - and the person's performance, not gender, origin or other personal characteristics. It defines the remuneration components, the standards and framework conditions to be observed, as well as the approval regulations, documentation, and retention obligations.
General objectives	The aim of this policy is to create a framework for remuneration issues within the Daimler Truck Group.
Reference to material impacts, risks, or opportunities	In our opinion, the policy can prevent discrimination and violations of human rights, which also reduces reputational and financial risks.
Monitoring process	Internal audits are carried out annually by the internal audit department on a random basis to check whether selected aspects of the policies are being complied with. We also take the conditions of the local markets into account, as we want to offer our employees salaries and additional benefits in line with the market.
Scope	This policy applies to Daimler Truck Holding AG, the Daimler Truck AG and all controlled Group companies. In addition to all employees in the HR department in the Daimler Truck Group, the policy applies to all managers who, in an executive role at controlled Group companies, are responsible for the creation or redesign of remuneration systems or the implementation of remuneration processes. For Companies that are categorized as Framework Light Companies within the framework of the standardized procedure and confirmed by the Board of Management of Daimler Truck AG, the policy is to be applied without the annexes. For Framework Light Companies, the core element of the policy applies; although annexes 1-5 can be selected individually, the annex selected in each case applies in full and without exceptions.
Responsible organizational level	The TH OpCom, as the highest decision-making body in the HR department, exercises the authority to issue policies for specifying the remuneration principles established by the Board of Management of Daimler Truck AG and makes decisions on their implementation.
Reference to standards and initiatives of third parties	n/a
Consideration of the interests of stakeholders	The Global Compensation Policy was drawn up by the central compensation policy department in consultation with various central and local HR departments and experts from Legal & Compliance, Corporate Audit and Finance. Changes are approved by the Board of Management. Trade unions and employee representatives are involved in the changes so that the interests of employees are taken into account.
Availability of the policy for stakeholders	The policy is available to all employees at all times via the central policy platform.

B.64

Company agreements

Category	Description
Most important content	The general Company agreements cover the advancement of women, inclusion, fair treatment in the workplace, basic regulations (e.g., health protection), remuneration, social and additional benefits, and the pension scheme.
General objectives	Establishment of binding policies for all employees on the respective topics set out in the works agreements.
Reference to material impacts, risks, or opportunities	The works agreements each relate to individual dimensions of material negative impacts and risks and positive impacts and opportunities (e.g., remuneration, social and additional benefits, promoting the compatibility of family and career, training and further education, increased employee satisfaction).
Monitoring process	The monitoring processes are regulated within the respective works agreement.
Scope	Information on the scope of application can be found in the respective works agreement.
Responsible organizational level	The responsible HR department.
Reference to standards and initiatives of third parties	Trade union coordinators nominated by IndustriAll European Trade Union or IndustriALL Global Union assist the EWC/WWC as permanent experts. They have the right to attend all meetings, including those of the EWC/WWC and the JCC.
Consideration of the interests of stakeholders	Company agreements are negotiated and concluded between Daimler Truck as the employer and the works council as the representative of the employees' interests. This means that the interests of the Company and the employees are taken into account.
Availability of the policy for stakeholders	All works agreements are available to all employees at any time via the central policy platform.

Human rights in the value chain (ESRS S2)

Our ambition is to be strongly committed to respect and support human rights, and we expect the same from our business partners.

Material impacts, risks and opportunities

The following table ↗ **B.65** shows the material impacts, risks and opportunities related to human rights in the upstream value chain.

The types of workers that may be materially affected are:

- Employees working in production in the upstream value chain
- Workforce from the transport logistics sector in the upstream value chain

As part of the double materiality analysis, suppliers were included as external interest groups through surveys. The aim of the survey was to capture the views and findings of external interest groups on the materiality of the impacts. Our double materiality analysis did not reveal any evidence that there are particularly vulnerable groups. Workers in the value chain are therefore not more affected by potential negative impacts than other stakeholders. For more information, see chapter Double materiality analysis.

Daimler Truck has identified an increased risk of forced labor with respect to workers in the upstream value chain in the following countries: China, Indonesia, India, Türkiye, USA, and the United Arab Emirates.

B.65

Material impacts, risks, and opportunities related to human rights in the upstream value chain[1]

Category	Title	Description
Negative impact (VC)	**Procurement activities can lead to negative impacts on human rights (M)**	Our procurement activities in high-risk areas can lead to negative impacts on human rights, particularly in the areas of occupational health and safety and freedom of association.
Risk (VC)	**Increased social risks due to complex supply chains for critical materials and raw materials can lead to reputational and financial risks**	Human rights violations can increase in our complex supply chains and lead to, among other things, reputational damage and, fines.

1 Legend: (VC) Value chain; (M) Medium-term time horizon.

Organization and management approach

The purchasing department is responsible for the operational implementation of human rights due diligence obligations with regard to workers in the upstream value chain. It works closely with the Human Rights & Public Law department, which is responsible for developing and managing group-wide activities to fulfill human rights due diligence obligations. The Human Rights & Public Law department reports to the Human Rights Officer of the Daimler Truck Group, who oversees the entire risk management related to respect for human rights. The Human Rights Officer of the Daimler Truck Group ensures that the Board of Management of Daimler Truck Holding AG and Daimler Truck AG is regularly informed of the results of his work, at least once a year.

Engagement with workers in the value chain
We seek dialogue with potentially affected stakeholders and exchange ideas with employees, their interest groups and civil society groups, for example.

The aim is to incorporate their feedback and expertise into the development of our processes and actions to fulfill human rights due diligence obligations in order to continuously improve ourselves. In June 2024, an exchange took place between our Human Rights Officer and technical experts from Daimler Truck AG with employee representatives, trade unions, and non-governmental organizations. A particular focus was on processes and actions that address actual and potential negative impacts of our business activities in the upstream value chain. In addition, in November 2024 we took part in a workshop with representatives of various stakeholders from the automotive industry in Türkiye. The initiative, launched by IndustriALL Global Union and IG Metall, together with companies and other social partners (in particular works councils and trade union representatives), aims to promote and deepen dialogue between stakeholders. It also provides an opportunity to jointly address solutions to existing challenges related to the exercise of workers' and trade union rights in Türkiye. These exchange formats provide information about the perspectives of workers in the upstream value chain.

The inclusion of the perspectives of workers in the upstream value chain is managed by the Human Rights & Public Law department and coordinated with the departments Sustainability Management and Purchasing.

Reporting of tip-offs and suspected cases

Through the platform of our whistleblowing system SpeakUp, both internal and external whistleblowers as well as workers in the value chain can report potential violations of rules and misconduct, including potential human rights and environmental violations, and demand remediation at any time worldwide.

If a suspicion report relating to workers in the value chain is received via the SpeakUp whistleblowing system, the SpeakUp team forwards the case on to the responsible department within Legal & Compliance for review and further investigation. This department then checks which measures are suitable in each individual case to adequately investigate a suspicion. If a suspicion is confirmed, the responsible investigating unit checks which follow-up measures are suitable, necessary and appropriate in the individual case. These include, for example, dialogues with suppliers to develop concepts for ending or minimizing violations or external supplier audits. Depending on the outcome of the actions, business decisions are taken in order to adequately address any actual negative impact that may have been identified. Further information on our whistleblowing system SpeakUp and the procedural principles and processes can be found in section Responsible corporate culture.

In addition, workers in the value chain can report tip-offs and suspected cases to the World Employee Committee of Daimler Truck or the IndustryAll Global Union.

During the reporting year, 14 cases were reported through SpeakUp's reporting channels, involving workers in the value chain that were related to the non-respect of the UN Guiding Principles on Business and Human Rights, the Declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises.[1] Of these cases, twelve relate to the upstream value chain and two to the downstream value chain. Seven of the cases related to the prohibition of withholding an adequate living wage. In addition, two cases were reported concerning the violation of occupational health and safety obligations, three cases related to discrimination, one case concerning the violation of trade union rights and one case concerning the non-environment friendly handling of hazardous waste. None of these cases can be classified as a severe human rights incident[2].

In order to continuously increase trust in the whistleblowing system SpeakUp and make it known more widely, especially in the value chain, information about the whistleblowing system is provided on the Daimler Truck website and Supplier Portal. It is also included in the Compliance Awareness Module for sales business partners and suppliers, as well as in the Daimler Truck Business Partner Standards. Suppliers are also contractually obliged to pass on any information they receive regarding SpeakUp’s responsibilities and availability to their employees in an appropriate manner and to ensure that this information is passed on further down the supply chain.

During the reporting year, truck drivers from our transport logistics suppliers at our European production sites in Holysov, Czech Republic, and Gaggenau, Baden-Württemberg, had the opportunity to take part in an anonymous survey on working conditions at our logistics centers. In this context, the level of awareness of complaint mechanisms and procedures was also enquired. The survey, conducted as part of our membership in the Responsible Trucking Initiative, will be rolled out gradually at all of our European production sites. This allows us to draw conclusions about the level of awareness of our whistleblowing system SpeakUp among the workforce in our transport logistics supply chains. The survey showed that the majority of participating truck drivers were of the opinion that they could easily and anonymously raise questions, concerns or complaints with Daimler Truck. This indicates that they are likely familiar with the reporting channels of our SpeakUp whistleblowing system.

In addition, there is currently no systematic check for all workers in the value chain as to whether they are aware of and trust the reporting channels described above and the whistleblowing system SpeakUp, which allows them to report misconduct, raise concerns and have them investigated.

1 Cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises are defined as cases reported via the Daimler Truck whistleblowing system SpeakUp and relating to one of the following case categories: child labor, slavery and forced labor, freedom from discrimination, protection against unlawful taking of land, occupational safety and health hazards, prohibition of withholding an adequate living wage, the right to form trade unions and workers’ representations, protection against torture and degrading treatment, the prohibition of causing harmful soil changes or water pollution and the unlawful handling of substances that are dangerous to humans and the environment (environmental cases).

2 Severe human rights incidents are defined as cases reported via the Daimler Truck whistleblowing system SpeakUp that (1) relate to one of the following human rights-relevant case categories: the prohibition of child labor, slavery and forced labor or (2) can be classified as severe due to one or more of the following characteristics: their scale, their scope or their irreversibility.

Our policies
At Daimler Truck, we have established policies, standards, and processes related to fulfilling our human rights due diligence obligations in the upstream value chain. The Daimler Truck Declaration of Principles on Social Responsibility and Human Rights forms the basis for how we meet our social responsibilities and summarizes our commitment to human rights, particularly with regard to workers in the value chain.

In addition to compliance with relevant legal requirements for respecting human rights, our policies for workers in the value chain are based on international standards. These include the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the ILO core labor standards on fundamental principles and rights at work, and the German Supply Chain Due Diligence Act (LkSG), which has been in force since 2023.

In addition to the Supplier Compliance Due Diligence Policy ↗ B.66 described below, the following policies and standards related to the fulfillment of human rights due diligence obligations are relevant and define corresponding responsibilities:

- Declaration of Principles on Social Responsibility and Human Rights at Daimler Truck ↗ B.59
- Daimler Truck Business Partner Standards ↗ B.75
- Mandatory Contractual Clauses on Social Responsibility and Environmental Protection ↗ B.76
- Violation and Investigation Policy ↗ B.61

B.66
Supplier Compliance Due Diligence Policy

Category	Description
Most important content	The supplier compliance due diligence at Daimler Truck ensures a comprehensive risk assessment that covers in particular the relevant compliance areas listed below when dealing with suppliers. Respect for human rights, environmental standards as well as compliance with anti-corruption requirements and related relevant regulations have the highest priority in this expert policy and the corresponding processes and activities.
General objectives	An annual risk assessment for all direct suppliers and, if in case of substantiated knowledge, also indirect suppliers of the Daimler Truck Group and its Group companies is designed to create transparency about risks in the supply chain. Risks are also eliminated or minimized through preventive measures.
Reference to material impacts, risks or opportunities	The focus of the policy is on identifying and prioritizing potential risks. By identifying risks early, they can be specifically remedied or minimized.
Monitoring process	Supplier due diligence consists of supplier risk assessment and consequence management, which must be carried out, reviewed and approved by the respective purchasing function. Sanctions screening of all suppliers is ensured by a further process in accordance with the Compliance Policy - Compliance with Sanctions.
Scope	This expert policy applies to management bodies, all employees and the respective heads of the purchasing functions at Daimler Truck AG, its Group companies, including the employees and the respective heads of the legal and compliance departments who support processes and activities for supplier compliance due diligence.
Responsible organizational level	The purchasing departments are primarily responsible for carrying out supplier due diligence. The compliance program department provides the IT system and is the area responsible for the guidelines.
Reference to standards and initiatives of third parties	Supply Chain Due Diligence Act.
Consideration of the interests of stakeholders	The Supplier Compliance Due Diligence Policy is an internal policy that regulates the purpose and process of supplier due diligence. The Supplier Compliance Due Diligence Policy and the associated process are reviewed as part of the annual measurement of the adequacy, implementation and effectiveness of the CMS (Annual Effectiveness Evaluation).
Availability of the policy for stakeholders	Published in Policy Navigator, the uniform policy management system at Daimler Truck.

Actions and results

The management of the material impacts related to workers in the upstream value chain lies within the operational responsibility of specialist functions in purchasing. Particularly, this includes the annual risk analysis for our direct suppliers and associated preventive and remedial measures, including actions that address impacts related to workers in our raw material supply chains. The associated purchasing processes are managed and implemented globally by special teams of experts in the central purchasing department. Sustainability specialists working there have particular experience in assessing suppliers and expertise in the field of raw materials and human rights. Local purchasing functions at our locations support cooperation with suppliers in addition to specialized purchasing departments.

The activities and measures listed below are regularly reviewed for their suitability and effectiveness. Measures are adjusted if necessary.

Supplier Due Diligence

Our goal is for our suppliers to respect social and environmental standards and thus support our sustainability efforts with regard to human rights and the environment. We rely on a concept of binding requirements, screenings, and audits, as well as information and qualification measures for suppliers. With these instruments, we aim to increase transparency about negative impacts in the upstream value chain and want to ensure that human rights - including labor and social standards - are respected and environmental protection standards are met. We have not currently set any measurable targets regarding human rights in the upstream value chain.

Risk management for suppliers (Supplier Compliance Due Diligence), including risk analysis, is an integral part of the Human Rights Compliance Management System (Human Rights CMS), our systematic approach to fulfilling human rights due diligence obligations. The annual effectiveness review of programs, processes and measures that - like Supplier Compliance Due Diligence - is part of our Human Rights CMS to fulfill human rights due diligence obligations, is carried out in the same way as the other compliance areas. Further information on our CMS can be found in the chapter Sustainability governance.

Risk analysis
As part of the supplier compliance due diligence, in accordance with the German LkSG, direct suppliers of production materials and non-production materials are regularly assessed for negative human rights impacts within the framework of the Human Rights CMS. This process aims to identify such impacts and, where necessary, effectively address them through measures. In doing so, we are guided by internationally recognized human and workers' rights, as outlined in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. This includes the issues of forced labor and child labor. We proceed in two steps to identify negative impacts. In the first step, we generate an abstract risk profile of our direct suppliers, using various risk indicators, particularly related to the location of the suppliers and the use of critical raw materials or commodities. In the second step, high-risk suppliers are subjected to an in-depth risk analysis using further assessment measures, especially supplier questionnaires, in order to identify concrete potential and actual negative impacts. Findings from the processing of tip-offs are also taken into account. If we have actual evidence of human rights violations by an indirect supplier, we carry out ad-hoc risk analysis in the deeper upstream value chain. Based on this, measures are determined to address identified negative impacts.

We focus on preventive measures, such as our contractual conditions on social responsibility and environmental protection as well as training program measures. As a remedial measure, we work with suppliers to develop concepts for ending and minimizing violations. If necessary, we also use further screening and control measures. The following risk areas were identified in our supply chain in the reporting year as part of the risk analysis in accordance with the German LkSG:

- Disregard for occupational safety and health hazards
- Deployment of security forces which, due to a lack of instruction or control, may lead to impairments of trade union rights and/or physical integrity
- Disregard for freedom of association and the right to collective bargaining
- Prohibition of forced labor and all forms of slavery
- Prohibition of child labor
- Prohibition of withholding an adequate wage
- Risks associated with the improper handling of pollutants, chemicals and hazardous waste

How we handle critical raw materials
With regard to dealing with potential negative impacts on human rights along the upstream value chain of production material, we place a particular focus on raw materials that are potentially mined or processed under conditions that are critical in terms of human rights. We conduct supply chain assessments with suppliers whose parts or components contain significant amounts of these raw materials to create transparency about upstream steps of the value chain. Based on these assessments, targeted measures can be developed with suppliers, such as using recognized external standards to certify mines or smelters, to address negative impacts on workers.

Currently, a particular focus is on suppliers who supply us with batteries for our battery-powered vehicles, which also contain critical raw materials. The raw materials in focus include, in particular, lithium, cobalt, nickel, and graphite. Our supply chain assessments consist of three steps:

1. We create transparency along the respective raw material supply chains
2. We identify risk hotspots in these supply chains
3. If necessary, we define appropriate actions to mitigate negative impacts

In the reporting year, we implemented various measures. For example, we engaged in dialogue with direct suppliers of the relevant components to discuss the supply chain structures disclosed by means of self-disclosure. We have carried out audits and requested certificates from suppliers to mitigate negative impacts, such as external standards for the certification of mines and smelters. These measures target our global direct suppliers and focus on mitigating and improving material negative impacts on workers in the upstream value chain, particularly in mines, smelters, and refineries.

Control mechanisms

Suppliers of production materials are checked for sustainability criteria before a possible order is placed by means of a supplier self-disclosure form. If necessary, we conduct audits of suppliers with an increased likelihood of negative impacts. These audits help create transparency regarding potential negative impacts on workers in the upstream value chain prior to contracting, enabling early intervention.

We also use investigation and monitoring measures where necessary, such as media screenings and external audits. With these instruments, we can check compliance with relevant standards in the upstream value chain and want to ensure that internationally recognized human rights are upheld and that other labor and social standards as well as environmental requirements are observed via on-site audits. If negative impacts are identified, targeted measures can be taken to adequately address the audit results.

This allows us, for example, to introduce new, effective preventive measures in a targeted manner or to adapt existing preventive measures.

Training measures

In order to raise awareness of human rights issues among our business partners, especially our suppliers, we provide the “compliance awareness module” as a preventive measure on our website at www.dt-compliance-awareness-module.com/en/.

We conduct internal training courses to enhance employee understanding of corporate due diligence obligations and social responsibility. In relevant specialist departments, human rights issues in the respective work environment are addressed as part of specific training courses such as the Expert Module "Human Rights Compliance". The particularly relevant specialist departments include purchasing departments Group-wide. This way, we strengthen the employees' ability to identify any negative human rights impacts along the value chain at an early stage and to address them effectively. These targeted training courses help ensure compliance with human rights standards when selecting and reviewing suppliers or business partners. The following training courses were offered or carried out in the reporting year:

- Expert Module “Human Rights Compliance”: The aim of the training is to clarify the relevance of human rights in everyday work life. The training is mandatory for all active employees of the administration of Daimler Truck AG and controlled Daimler Truck Group companies in the areas of purchasing, HR, communications and legal & compliance, the legal & compliance network as well as the CEOs of the local units across the Group. The training is assigned automatically to these employees and must be repeated every three years.
- Training on fulfilling human rights due diligence obligations for functional areas in purchasing: The training courses held online across the Group conveyed an understanding of the importance of human rights due diligence obligations and explained the associated impact on the role and tasks of buyers. In particular, the obligations under the German LkSG were covered.
- Expert Module “Compliance@Procurement”: In addition, the purchasing functions of Daimler Truck AG and controlled Group companies were assigned the Company's own web-based "Expert Module Compliance@Procurement" in 2024, which also covers human rights issues. Employees in these functions must complete the online training every three years.

Cooperation with external partners and engagement in initiatives

Given the multiple interrelationships of - often complex and multi-layered - supply and value chains, we consider joining forces with other companies in industry-specific or cross-sector initiatives to be particularly relevant in order to achieve effective impact, especially with regard to dealing with negative impacts on workers in the deeper upstream value chain.

Particular attention is paid to raw material-specific initiatives and projects. We are part of the Responsible Minerals Initiative (RMI), which is committed to ensuring due diligence along the supply chains of the conflict minerals tin, tungsten, tantalum, and gold (3TG) and other minerals that are critical from a human rights perspective.

We are also a member of the European automotive industry sustainability initiative Drive Sustainability under the umbrella of the CSR Europe network. Central to us is the development and use of the Sustainability Assessment Questionnaire (SAQ), which we use to evaluate the sustainability performance of our production material suppliers. In addition to environmental aspects, social criteria are also assessed and integrated into an overall assessment of sustainability performance, including guidelines and management systems for human rights, social issues, and occupational health and safety. Other factors include employee training, responsible raw material procurement, and sustainability-oriented supplier management.

In the reporting year, we continued to be involved in the “Responsible Trucking Initiative” within the framework of CSR Europe, which we joined in 2023. Together with other companies, we are committed to improving the social conditions of truck drivers in the road transport and logistics sector in Europe, for example by recognizing common social guidelines.

We are also a member of the Responsible Supply Chain Initiative e.V. (RSCI), which offers standardized sustainability audits to evaluate the implementation of social and environmental standards in automotive supply chains. We use the RSCI audit program for high-risk suppliers and suspected cases to create further transparency among suppliers and to initiate improvements in the future if necessary. In the reporting year, several audits were carried out at suppliers internationally.

In addition to our ongoing commitment to various initiatives, the following activities in particular took place during the reporting year, in which we were actively involved:

- On-site visit to nickel mines in Indonesia as part of our membership of Drive Sustainability to get an idea of working conditions and workers' rights. The findings will be incorporated into the planning of further initiatives at Drive Sustainability.
- Involvement in Drive Sustainability’s “Human Rights Working Group” to develop a common escalation platform for suspected cases and potential human rights violations. The aim of the platform is to enable complaints to be addressed collectively with common suppliers and thus to identify systemic negative impacts in the automotive supply chain. The implementation of the concept is planned for 2026.
- As part of the Supplier Summit 2024, held for the first time at our Wörth plant, a dialogue with 200 important suppliers on the future of transport took place. Topics such as sustainable supply chains and the electrification of our inbound logistics were discussed. Outstanding performance by suppliers was recognized with the Supplier Award, which is awarded every two years. For the Sustainability Award, suppliers were able to submit projects in the social and environmental areas, which were evaluated by experts. Two suppliers were honored for their commitment to health management and CO_2e reduction.

Traffic safety (ESRS S4)

In recent years, according to figures from the EU CARE database, car occupants, cyclists, and pedestrians have on average accounted for approximately 70% of all fatalities in accidents involving heavy goods vehicles weighing 3.5 t or more. Overall, the number of road fatalities in such accidents has fallen significantly in recent years: While there were 4,586 road fatalities in 2011, according to the latest EU Commission data, this number fell by around 40% to 2,934 by 2022. This corresponds to around 14% of all road fatalities in the EU. The most common types of accidents in the EU include rear-end collisions, particularly at the end of traffic jams, unintentional lane departures, side collisions at intersections, turning accidents caused by blind spots, and overtaking errors. At the same time, traffic accidents and the consequences they have, for example on the flow of goods, also have an economic impact. Traffic safety can, therefore, contribute to protecting the lives and well-being of road users as well as the safety of transporting economic goods. For us, traffic safety therefore means taking on social as well as economic responsibility. Traffic safety, thus, plays a key role in our sustainable business strategy and is integral to our vehicle development.

Material impacts, risks and opportunities

The following table ↗ **B.67** shows the material impacts, risks, and opportunities in connection with the topic of traffic safety.

The material impacts, risks and opportunities arise from Daimler Truck's business model and therefore have a correspondingly high priority in the development of the vehicles. We offer light, medium and heavy trucks, city buses and intercity buses, coaches, and bus chassis.

B.67

Material impacts, risks, and opportunities related to consumers and end users[1]

Category	Title	Description
Positive impacts (OO; VC)	**Driver assistance systems can contribute to increased traffic safety and the protection of road users (S)**	Active safety measures that prevent accidents or reduce their severity, and passive safety measures that reduce the severity of accidents can offer drivers and passengers a high level of safety. These can help avoid critical driving situations and to deal with them safely. The consequences of accidents are potentially more serious, especially with heavier vehicles.
	Safety as a focus in vehicle development can reduce accidents and their consequences (S)	Through our research into innovative safety technologies and more efficient systems, measures are developed that contribute to accident prevention and better protection in the event of an accident.
Negative impact (VC)	**Accidents caused by the use of our vehicles can harm road users (S)**	When using our vehicles, it is possible that unforeseeable individual situations in traffic can lead to accidents and cause damage to traffic participants or property.
Opportunity (OO; VC)	**Increasing product quality can strengthen our market position**	The consequent focus of our Company and our vehicles on high quality and safety can strengthen our Company's position in the competitive market.

1 Legend: (OO) Own operations; (VC) Value chain; (S) Short-term time horizon.

Drivers, passengers, and all other road users come into contact with these vehicles on public roads. Our customers and therefore those responsible for the intended use of the vehicles are the respective transport companies or fleet operators. In the context of traffic safety, we understand consumers and end users to be:

- Drivers
- Passengers
- Road users in public traffic
- Transport companies and their employees
- Consignors and recipients of the transported products, as well as their employees
- Companies and public institutions with transport activities
- Rescue workers

As part of the double materiality analysis, transport operators were included as external stakeholders through surveys. The aim of the survey was to capture the views and insights of external stakeholders on the materiality of the impacts. This has enabled us to sharpen our understanding of the risk of harm to the aforementioned groups of consumers and end users. Furthermore, the analysis has shown that no consumers or end-users are particularly affected in terms of the severity of the risk. For more information about our double materiality analysis, see chapter Double materiality analysis.

Our organization and management approach

The control and regulation system for traffic safety includes all relevant management levels. The highest level of responsibility for traffic safety lies with the Board of Management, particularly in its function as the Corporate Sustainability Board (CSB), represented by the Board of Management for Truck Technology. In the Traffic Safety working group, the topic of traffic safety is represented by the Head of Global Software & Electronics Product Development, who reports to the Board of Management for Truck Technology. Within global software development, relevant systems in the area of active safety are developed and strategically managed. We aim to involve the segments and relevant cross-sectional functions. Further information can be found in chapter Sustainability governance.

With our Product Compliance Management System (PCMS) and our organization for functional safety and cyber security management, we have established structures and processes to comply with all applicable laws, standards and regulatory requirements.

Our strategic vision and ambitions

The aim of the European Union's "Vision Zero" is to have no more road fatalities by 2050. In 2020, the United Nations, in cooperation with the WHO, adopted the resolution to "improve global road safety" and announced the "Decade of Action for Road Safety" (2021-2030). Here they set the goal of reducing traffic-related fatalities and injuries by 50% by 2030. Based on this, we as truck and bus manufacturers underline our ambitions to increase traffic safety and thus make our contribution to "Vision Zero". Our aim is to make traffic safer for those involved through a comprehensive traffic safety concept and the continuous development and development of new safety systems. To achieve this goal, we continue to focus on optimizing our advanced driver assistance and safety systems to reduce risks and make mobility safer. We have not set any further ESRS-compliant targets at this time.

Our actions and safety concepts are subject to regular development, supported by intensive test runs, detailed analyses and the latest findings from our accident research. Accident statistics from the USA and Germany, among others, are also used as a basis for development, and critical and frequently occurring accident scenarios are extracted in order to align the systems for reducing the consequences of accidents and accident prevention as best as possible with real accidents.

We evaluate the effectiveness of our systems using theoretical and practical tests. Among others, we are checking how often our systems, such as the emergency braking system or the lane keeping assistant, actively intervene in critical situations. Since it is currently not possible for us to measure the efficiency of systems during the usage phase for data protection reasons, we use test runs in endurance testing and on the test site to check the performance of the systems. Furthermore, adjustments to our systems are continuously checked using simulation methods to ensure consistently high quality. Further information on the topic of traffic safety can be found at www.daimlertruck.com/en/sustainability/s-social/traffic-safety.

The principle of "integral security"

When developing our vehicles, we follow the holistic concept of integral safety and distinguish between four phases: "Assisting while driving", "Preparing for a possible accident", "Protecting during an accident" and "Post-accident assistance".

With our safety actions, we build a bridge between active and passive safety within these four phases – that is, between accident prevention (phases 1 and 2) and protecting the occupants in the event of an accident (phases 3 and 4):

- **Phase 1: Safe Driving** – Assistance systems that make driving safer, assist the driver in reducing or preventing the risk of accidents.
- **Phase 2: In case of danger** – Safety assistance systems that can warn, assist, and act automatically, as well as protection systems that can be activated in the pre-accident phase.
- **Phase 3: In the event of an accident** – Protection systems that can protect all vehicle occupants intelligently and according to their needs.
- **Phase 4: Post-accident assistance** – Systems that provide aid after an accident.

Accident research

For over 50 years, accident research in the commercial vehicle sector has played a central role for us when it comes to increasing the active and passive safety of our vehicles. Aspects of occupant and partner protection go hand in hand. Mercedes Benz Trucks accident research regularly carries out detailed accident analyses in Germany in order to systematically record and evaluate real accidents involving heavy commercial vehicles. Traffic safety in the commercial vehicle sector has made considerable progress in recent decades thanks to the improvements achieved through accident research. Based on this extensive and long-standing knowledge base, we were able to develop many of our technical safety solutions in a targeted manner. We then launched them on the market early, even before legal regulations were in place, such as emergency braking or turning systems.

By analyzing accident data from truck with combustion engines, we were able to gain valuable insights. These have helped us to develop protective measures for the first generation of our vehicles with alternative drives (such as battery-electric and hydrogen-based). The focus here is, for example, on the targeted placement, design, shielding, batteries, pressure accumulators, and shutdown of high-voltage components. In this context, the electrical charging processes and filling processes with technical gases were also included in the considerations.

Channels and involvement of our customers
We see the dialogue with our customers as a valuable opportunity to continuously improve our systems and develop our actions. Our customers have the opportunity to either visit one of the Mercedes-Benz commercial vehicle centers located across Germany or to communicate their concerns directly via email or through our new digital customer portal, “My TruckPoint for Mercedes-Benz Trucks”.

All of our customers and potential customers (e.g., transport companies or drivers) who are affected by our activities can also file a complaint via our whistleblowing system SpeakUp. With the help of our Business Partner Standards, which must be accepted by every business partner, we explicitly point out the availability of our whistleblowing system SpeakUp and point out that our business partners also provide corresponding channels. We also inform our suppliers and sales partners about our "Compliance Awareness Module" for the whistleblowing system SpeakUp. A group-wide policy regulates the procedure and the corresponding responsibilities for the SpeakUp whistleblowing system. Its aim is to ensure a fair and transparent approach that takes into account both the principle of proportionality for those affected and the protection of the whistleblower. In addition, there is currently no systematic assessment of whether all consumers and end users are aware of and trust the whistleblowing system SpeakUp to report misconduct, raise concerns and have them investigated. Further information on our whistleblowing system SpeakUp can be found in chapter Responsible corporate culture.

In addition, we offer our customers a variety of attractive formats, including product events for fleet drivers and various platforms for dialogue, such as at the IAA Transportation 2024 in Hanover, Germany. There we present our constantly growing portfolio for locally CO_2e-free transport of the future as well as our latest technological developments for commercial vehicles. In addition to these formats, we have also been conducting market research studies in cooperation with professional market research institutes for many years. These studies are carried out across different customer structures - i.e., from drivers and purchasing decision-makers to individual and fleet customers. The surveys are carried out both nationally and internationally, as well as across industries or tailored to specific sectors, depending on the need. The advantage is that we can use this market research to obtain neutral and structured customer opinions on important topics such as customer satisfaction, vehicle usage or new product concepts. In addition, we regularly hold so-called “Truck Clinics" with drivers who test our new products and innovations in this format. This means that we receive direct feedback on the products and suggestions for improvement. The relevant information is provided to the appropriate departments so that they can consider it in their projects and products.

Policies in the group
Our commitment to respect human rights regarding consumers and end-users is set out in our Declaration of Principles on Social Responsibility and Human Rights and in our Code of Conduct. For more information about our policies on impacts on human rights can be found in chapter Our people. Further information about our Code of Conduct can be found in chapter Sustainability governance.

Product Compliance Management System
The objective of the PCMS is to ensure the regulatory compliance of our products, including the requirements of products, safety and liability, throughout the entire product life cycle (product creation, manufacturing, distribution and in-use at the customer’s premises up to and including decommissioning). Principles, structures and processes are intended to provide guidance and orientation to our employees.

In this context, we have established a process for handling and deciding on, among other things, potentially safety-related issues with regard to vehicles that are already in the field. In this process, cross-functional committees examine in-depth issues received via various sensors to determine possible causes, effects and solutions, and then make a quick decision. This is a three-stage process in which a high-ranking committee ultimately decides on the need for field measures, such as recalls. If a recall is carried out, both the affected customers and the relevant authorities are informed in accordance with our legal obligations. The reported recalls are published by the authorities, including in the EU's publicly accessible "Safety Gate". In this way, the Daimler Truck Group is fulfilling its manufacturer obligations under product liability and product safety law, as well as market surveillance and type approval law.

B.68

Product Compliance Management System Policy

Category	Description
Most important content	This PCMS policy describes the core elements of the product-related Compliance Management System implemented by the Board of Management of the Daimler Truck Group to ensure the regulatory compliance of our products throughout the product life cycle.
General objectives	The aim of the PCMS is to ensure the regulatory compliance of our products, also with regard to product safety and liability requirements, throughout the entire product life cycle (product development, production, sales and use by the customer up to decommissioning).
Reference to material impacts, risks or opportunities	The policy is designed to ensure the regulatory compliance of our products.
Monitoring process	A monitoring process of the PCMS takes place on an annual basis to evaluate the design, implementation and effectiveness of the PCMS. Appropriate improvements are implemented based on the analysis.
Scope	The policy applies to all Group companies with the exception of Daimler Truck Financial Services.
Responsible organizational level	The implementation of the policy is the responsibility of the relevant business units.
Reference to standards and initiatives of third parties	To minimize potential product risks, the valid market specific product related applicable laws, regulations, policies, automotive standards or other applicable specifications (e.g., ISO standards, product-related material conformity, technical instructions), in particular with regard to applicable technical requirements have to be observed and complied. The PCMS creates the structures and processes to ensure this.
Consideration of the interests of stakeholders	n/a
Availability of the policy for stakeholders	The policy is available to all employees at all times via the central policy platform.

Actions

Our commitment includes the ongoing development of high-performance assistance systems, measures for passive and active safety, support for rescue and recovery, and autonomous driving. Effective safety systems reduce risks for consumers, end users, and other road user and offer opportunities for greater traffic safety.

We continually review our actions to improve our systems and achieve the desired results through test runs, analyses, and the results of our accident research.

Active safety and assistance systems
A positive contribution can be expected when we introduce new systems to the market or increase the performance of our existing systems, for example through new sensors. All systems are extensively tested to evaluate the driving dynamic limits of the various safety features. In addition, a total of 97 Daimler Truck vehicles were on the road worldwide from 2020 to the end of 2024 for the testing and validation of our safety systems. They covered more than eight million kilometers before they were first used by customers to ensure high quality. This experience will be used in customer tests before the market launch to ensure that they not only function correctly but are also suitable for everyday use. In 2024, the actions focused on the introduction on the area of active safety. For example, the relevant sensors on the vehicles were updated and additional sensors were introduced. The update meets the requirements of the European General Safety Regulation (GSR). Furthermore, in the reporting year we also introduced a safety system “Connected Traffic Warnings” for the first time with the eActros 600. This system uses mobile radio-based V2X[1] communication and can warn of safety-relevant situations such as traffic jams and heavy rain, as well as daytime construction sites, construction site safety vehicles and broken-down vehicles. In this way we also support backend-based C-ITS[2] communication via mobile radio, which we plan to gradually roll out to other series.

Active safety systems are particularly important for trucks and buses. Especially for vehicles of this size and weight, accident risks must be reduced or actively avoided as far as possible, as the risk of a serious accident outcome is high. Drivers, passengers and other road users benefit equally from the measures in terms of safety, either by reducing the severity of accidents or by preventing accidents. Furthermore transport companies, senders, and recipients can also benefit in an active safety systems prevents an accident, as the delivery of the transported goods and products are not delayed. To achieve this, we develop new safety systems in regular development cycles with which we can protect and support drivers in their daily work. In addition to protection systems, this includes technical innovations.

1 V2X: Vehicle-to-everything communication.
2 C-ITS: Cooperative Intelligent Transport Systems.

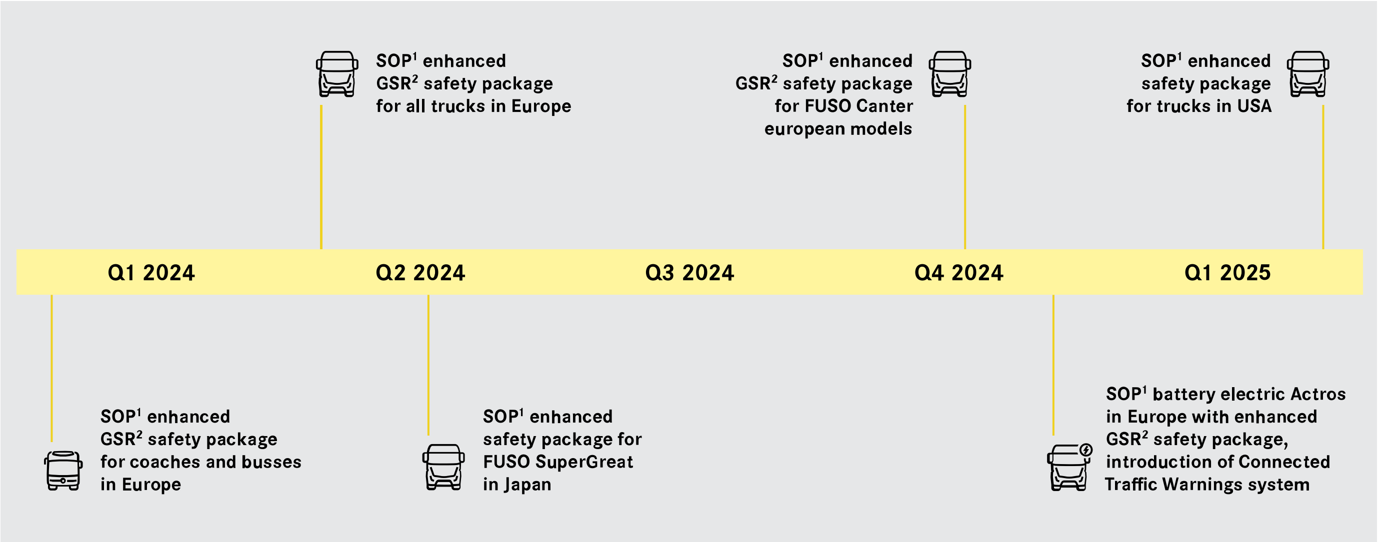
Daimler Truck has successfully launched innovative technologies on the market several times that are now considered industry standards. The protection of vulnerable road users is a particular focus. For example, for our heavy commercial vehicles we offer a Brake Assist ("Active Brake Assist" for trucks and "Preventive Brake Assist" for buses) that can detect pedestrians and cyclists within its system limits and react to them. In addition, with the active turning assistant ("Active Side Guard Assist") we have introduced an assistance system that can reduce the consequences of accidents or prevent accidents involving cyclists and pedestrians within the system limits.

In the reporting year, we introduced a comprehensively revised Active Safety package in several model series that meets the requirements of the GSR Directive (EU) 2019/2144. This includes, among other things, a rear-view camera and additional close-range monitoring for vulnerable road user. In addition, various existing systems have been improved to enhance their functional range. With the "Active Side Guard Assist 2" system, we now monitor the area adjacent to the vehicle on both sides. As part of "Active Drive Assist 3", we prevent lane changes at higher speeds if other road users are detected in the adjacent lane, depending on the equipment. The "Active Brake Assist 6" system has been upgraded overall and now responds even better, particularly to vulnerable road users such as cyclists and pedestrians. In technical terms, all sensors have been replaced with newer generation sensors and the central processing unit has also been revised.

In addition to the active safety systems, our assistance systems also support drivers in carrying out their driving tasks and can thereby help prevent accidents or reduce their severity. With these systems, our aim is to increase the driver´s attention, prevent fatigue, and encourage an adapted driving style, for example through prediction, automation, traffic sign recognition, improved all-round view, and intelligent light control. Additional information about our safety systems can be found on our website at www.daimlertruck.com/en/innovation/safety.

B.69

Introductions 2024



1 Start of Production
2 General Safety Regulation

Passive safety
Passive safety systems provide protection for drivers, passengers and those involved in an accident when a collision becomes unavoidable. In addition to active restraint systems like driver airbags and seat belts with tensioners, we emphasize a coordinated crash concept. This includes driver cabins with high rigidity and energy-absorbing structures. The focus is also on minimizing indirect risks of injury. This includes, for example, the design and layout of components of the cab interior, fire protection and, if necessary, the shutdown of high-voltage systems in vehicles with alternative drives.

Rescue and recovery
Another important part of our work is providing targeted information to rescue workers and recovery services, for example through rescue guidelines, maps, and towing brochures. Detailed knowledge of our vehicles and their safety systems helps rescue services reach injured drivers or passengers more quickly and can therefore help save lives. Examples of supporting technical functions include the automatic activation of hazard warning lights, which warn approaching road users. Additionally, the central locking system is automatically unlocked when an accident is detected. Various actions help to increase the safety of rescue workers and other road users, such as a high-voltage rescue separation point, automatic impact detection, and high-voltage shutdown.

Autonomous driving

Daimler Truck is developing autonomous truck according to SAE Level 4, which are equipped with safety-relevant, redundant driving systems. The aim is to enter the US market in 2027.

Autonomous driving is accompanied by high safety requirements for approval in transport operations. Driver assistance and safety systems are key to enabling autonomous driving and have the potential to make traffic safer, reducing or preventing accidents. In addition, some human risk factors such as fatigue or inattention are excluded in autonomous systems. Therefore, such systems can reduce the risk of an accident. Autonomous trucks can simultaneously improve our customers' business and help society to cope with the growing volume of freight – especially in times of driver shortages. In addition, autonomous trucks enable transport performance to be increased as the vehicles can drive long distances without breaks. For these reasons, we are continuing to drive the development of this technology.

The "autonomous-ready" Cascadia with redundant functions is based on our flagship model of the Daimler Truck brand Freightliner. Safety-relevant systems such as steering and braking are available in duplicate as a backup and are continuously monitored by the vehicle. In the event of malfunctions or errors, the newly developed redundant systems can control the truck as safely as possible. The "autonomous-ready" Freightliner Cascadia is therefore suitable for the integration of autonomous software, hardware, and computing systems. Thanks to the redundancy of the systems, the autonomous truck can help to increase safety on the road and is an important step on the way to accident-free driving.

Since acquiring a majority stake in TORC Robotics, Inc. (TORC) in 2019, we have made further progress in autonomous driving. For example, we have demonstrated that driving on U.S. highways, including merging and exiting can be done safely. Further information on the actions can be found at www.daimlertruck.com/en/sustainability/s-social/traffic-safety.

Further actions and initiatives

Digitalization, services, and innovations

To support our customers, we also offer services that can contribute to greater traffic safety. The prerequisite for this is digitalization in the vehicle. Digitalization involves networking vehicles and providing data for intelligent digital services. These services enable individualized solutions for our customers. Anticipatory driving, adhering to driving and rest times, and avoiding speeding are just a few examples of how our fleet management services can provide targeted support. With our Mercedes-Benz Uptime and Detroit Connect services, we can detect potential faults and the resulting risk of accidents on the road.

A fully automatic telediagnosis continuously checks the status of the vehicle systems. The data is interpreted within seconds and specific recommendations for action are made available. This means that a possible breakdown can be avoided, for example, or in the event of a critical condition (e.g., a leak in the high-pressure circuit of the fuel supply), a recommendation for necessary actions (e.g., a repair) can be made.

A powerful innovation process is necessary for the development of modern and powerful safety systems such as these. Only the development and application of new technologies will enable the advancement of safety systems to their highest potential. Our global pre-development plays a central role in this. With our research network, structured innovation and technology management and the ability to prepare applications in prototypes for series use, we promote innovation in areas such as traffic safety.

Driver training and awareness

We raise awareness of traffic safety - for example through driver training, educational programs and roadshows - and provide information about safety technologies and innovations. We offer a variety of training options for truck and bus drivers, in which our trainers train customers in how to operate our vehicles. We also address our electric vehicles and their specific requirements. In addition to other content, such as fuel efficiency, downtime, and operating costs, the training aims to increase traffic safety. Among other things, drivers should be instructed on how to fully exploit the potential of our safety technologies. Furthermore, it is legally required to provide operating instructions as technical documentation for the products. In addition to technical information, the operating instructions also contain information on the intended use and warnings about possible misuse. This means that customers are provided with all the relevant information to enable proper use. In addition, customers are informed about the meaning of error messages so that they can be rectified accordingly and the vehicles can be used appropriately in the event of errors.

Functional safety and product safety

Vehicles are becoming more complex, particularly due to the growing number of electronic and software components. In order for manufacturers to counter the risks associated with the increasing complexity of modern vehicles, it is essential to pay attention to functional safety, i.e., the correct functioning of electrical and/or electronic (E/E) systems. The technical standard ISO 26262, which relates to E/E systems in road vehicles, is fundamental in this context. Due to increasing technical complexity, we consider adhering to ISO 26262 and the implementation of corresponding requirements and processes to be central to a high level of safety in our vehicles. ISO 26262 therefore has a significant influence on our development processes.

Governance

Responsible corporate culture (ESRS G1)

We are convinced that only those who act responsibly will remain successful on a sustained basis. Therefore, compliance with legal and ethical standards, along with a strong compliance culture, is very important to us, as we aim to contribute significantly to fostering a positive corporate culture.

Our values and principles are anchored in our overarching Daimler Truck Code of Conduct. This Code of Conduct provides us with guidance for our daily actions, defines which rules apply to the entire workforce and the principles by which we work. In short: it helps us make well-founded decisions. Detailed information on our Daimler Truck Code of Conduct can be found in the chapter Sustainability governance.

Material impacts, risks, and opportunities

Responsible governance aligns with our approach to sustainable business: this includes not only our commitment to environmental and social issues, but also investments in personnel and measures to promote responsible corporate governance. We want to inform and raise our employees awareness on issues of corporate governance and culture through extensive training measures and communication campaigns. We want to encourage our employees to share their observations through channels such as the SpeakUp whistleblowing system and thus actively contribute to improving and strengthening our corporate culture in order to counteract risks such as corruption and fraud.

The following table B.70 shows the material risks and opportunities related to the corporate governance of the Group.

B.70
Material impacts, risks, and opportunities related to corporate governance[1]

Category	Title	Description
Opportunities (OO; VC)	**Ethical business practices can have a positive impact on the public perception of our Company**	Sound governance and compliance practices can ensure adherence to ethical values as well as laws and regulations. This can foster a culture of integrity and trust and have a positive impact on society's perception of our Company.
	Protecting whistleblowers creates trust in the workplace and can promote our Company's reputation	Protecting whistleblowers can encourage and empower all employees and stakeholders to share their opinions and observations. Measures to protect whistleblowers that go beyond legal requirements can promote a culture of trust and have a positive impact on our Company's reputation.
Risk (OO; VC)	**Corruption, bribery and fraud can lead to financial and reputational risks**	Active and passive corruption, misappropriation, embezzlement, money laundering, sanctions, market abuse, violations of the law or inadequate tax compliance can pose significant risks for us. Depending on their extent, these can have significant financial consequences and endanger the reputation of our Company.

1 Legend: (OO) Own operations; (VC) Value chain.

Our approach to a responsible corporate culture
In order to regularly evaluate the corporate culture, we conduct an annual employee survey, among other things. As a Company, it is particularly important to us to ask specific questions that address the following topics with a view to a trusting corporate culture:

- Managers respond appropriately to behavior that lacks integrity.
- Employees in the immediate work environment openly address behavior that lacks integrity.
- There is trust in our whistleblowing system SpeakUp.

In addition, with our “Impact Culture” we are committed to promoting the commitment of our employees and expanding opportunities for strategic participation. We support an “Impact Culture” in which our employees can actively participate and freely develop their talents. Further information on “Impact Culture” and the employee survey can be found in chapter Our People.

Our Compliance Management System (CMS) is an important component in supporting a responsible corporate culture. It helps to meet legal requirements, prevent misconduct and promote responsible corporate governance. This also includes concepts aligned with the United Nations Convention against Corruption (UNCAC). We recognize the importance of these concepts and ensure that all employees and managing bodies are informed and trained on these regulations.

Our whistleblowing system SpeakUp

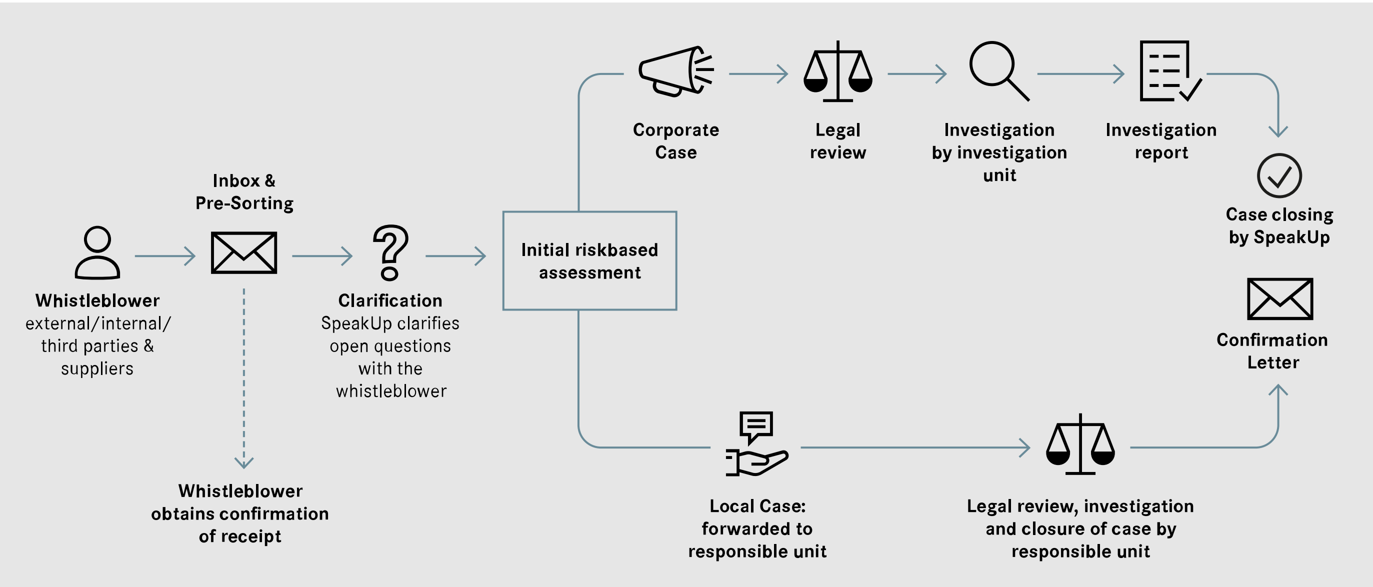
We can only achieve long-term goals and ensure trustful collaboration within our Company through fairness and honesty. We therefore call on our employees, business partners and external third parties to report potential misconduct and violations of rules in connection with Group-wide business activities. Our whistleblowing system SpeakUp enables targeted reporting of violations of regulations, laws, our Daimler Truck Code of Conduct, and other Group-wide policies. SpeakUp is not only an essential component of good corporate governance, but an integral part of our CMS throughout the Daimler Truck Group. Further information about our CMS can be found in chapter Sustainability governance.

The integrated SpeakUp platform enables all employees and third parties worldwide to report potential misconduct and rule violations to the whistleblowing system in writing via a secure website or by voice mail through a free number. In both cases, the language of the report can be freely selected, although the SpeakUp platform offers a wider range of languages and contact can be made at any time. Tip-offs can also be sent to the whistleblowing system SpeakUp by email or post. In Germany, whistleblowers have access to an external, neutral intermediary as an additional point of contact. In all cases, reports can also be made anonymously.

A Group-wide policy regulates the procedure for the whistleblowing system SpeakUp and defines the corresponding responsibilities.

B.71

The whistleblowing system SpeakUp



Its aim is to promote a fair and transparent approach that takes into account both the principle of proportionality for those affected by an allegation and the protection of the whistleblower. Within the central compliance department, a team is responsible for handling and processing incoming tip-offs. The team regularly takes part in appropriate training courses and seeks professional exchanges as part of association work and other expert rounds in order to continuously develop itself.

The policy also serves as a benchmark with which we assess violations of the rules and decide on consequences. The corresponding Group policy was revised in the 2024 reporting year and merged with the investigation policy. The merging and redesign of the policy contribute to an optimized and clearer whistleblower process. Changes to the Group policy included adjusting the terminology for major-risk violations to “violations with corporate relevance” and minor-risk violations to “violations under local responsibility”. If a tip-off relating to Daimler Truck's own business unit is classified as a violation under local responsibility after a risk-based initial assessment, the SpeakUp whistleblowing system passes the case on to the responsible local department (e.g., Human Resources, Corporate Security, or Compliance). This department investigates the tip-offs and clarifies the case independently.

If the SpeakUp whistleblowing system classifies a tip-off relating to Daimler Truck's own business unit as a rule violation with corporate relevance after a initial risk-based assessment, the case is referred to an investigation unit. This happens when there is a high risk for the company, including its employees and other persons. SpeakUp accompanies further processing until the procedure is completed. Rule violations with corporate relevance include, for example, corruption and money laundering offenses, as well as breaches of antitrust law, severe violations in connection with technical specifications or serious violations of environmental regulations. Cases of sexual harassment, discrimination or racism, and other human rights violations are also among rule violations with corporate relevance.

To continually increase trust and awareness of our SpeakUp whistleblowing system, especially among employees, we use various communication measures to inform and raise awareness.

Selection of our compliance fields and processes

Values-based compliance is an essential part of Daimler Truck's business activities, i.e., ensuring compliance with laws and internal regulations. Specific objectives and key topics of the compliance area are implemented in order to ensure the effectiveness of CMS. General information on our CMS can be found in chapter Sustainability governance.

Prevention and detection of corruption
Our compliance program aims, among other things, to prevent, detect and combat corruption as far as possible in all business activities. We review business partners and transactions and deal with authorities and officials with particular sensitivity. A central element of our anti-corruption program is the Corruption Perceptions Index from Transparency International, which serves as a key parameter in risk evaluations. We identify increased corruption risks in particular in sales activities in high-risk countries and in our business relationships with authorized dealers, general agents, and suppliers worldwide. Our standard compliance clause for contracts obliges all business partners to have appropriate procedures and measures in place to combat corruption. The SpeakUp whistleblowing system allows (anonymous) reporting of these incidents to ensure correct investigation of suspected cases.

In the reporting year, five cases of corruption have been reported via the SpeakUp whistleblowing system. Four were closed as substantiated and appropriate measures have been taken by the company.

In the event of corruption, we have established clearly defined processes for reporting all compliance issues anchored in the Group and the results of compliance measures to the relevant committees. The compliance organization plays an advisory and coordinating role, supporting the Board of Management of Daimler Truck Holding AG and Daimler Truck AG in complying with legal regulations and requirements. It also lays the foundation for compliance standards, processes, and culture within the Daimler Truck Group. In the 2024 reporting year, no convictions for violations of corruption and bribery regulations were documented.

Prevention of money laundering and terrorist financing
To support the prevention of money laundering, we have implemented global minimum standards, processes, and security actions across the Group. A Group Money Laundering Officer assumes responsibility for compliance with the provisions of the Money Laundering Act for Daimler Truck Holding AG and its controlled Group companies. The officer is supported by two deputy money laundering officers: one deputy oversees compliance actions to prevent money laundering and terrorist financing in the Industrial Business (goods trading), while the other deputy focuses on the Financial Services segment.

Maintaining and promoting fair competition
Our Group-wide antitrust compliance program is based on national and international standards to promote fair competition. It includes a globally valid Daimler Truck Group standard that defines how antitrust issues are to be assessed by the Legal and Compliance Department and how association work is carried out. Policies assist our employees in identifying critical situations under antitrust law and ensuring compliance with the rules - particularly in dealings with competitors, interactions with dealers and general agents, and participation in committees within associations. A central database documents all of our employees' association activities on a mandatory basis and thus helps to increase transparency.

Compliance with sanctions and export control law
A central department for Export Control, Sanctions, and Money Laundering Prevention pursues a combined compliance approach with the aim of ensuring the best possible compliance with all applicable personal sanctions (Sanctions Compliance) and goods-related sanctions (Export Control Compliance) across the group. Irrespective of their applicability, the sanctions lists of the EU, the UK and the USA (including those of the US Office of Foreign Assets Control (OFAC) and the US Bureau of Industry and Security (BIS)) are checked IT-based for every business transaction. The Group-wide export control department aims to ensure, both through its globally applicable policy in the Daimler Truck Group and through its IT-supported export control management system in Germany, that applicable national and supranational prohibitions and approval requirements are observed for exports or shipments of export control-relevant goods initiated by Daimler Truck or controlled Group companies. Against the background of EU sanctions against Russia and Belarus, we have taken group-wide measures to prevent illegal exports of vehicles or vehicle parts to Russia. In addition, we are reviewing the extent to which further measures are required.

Compliance with tax-related obligations
We strive to meet the global tax law and regulatory obligations. The tax department provides a framework for this, which is anchored in the tax policy. The Group tax strategy is based on the principles of complying with tax obligations and maintaining high standards of integrity. We rely on a Tax Compliance Management System (Tax CMS) and tax planning that is legal, proactive, and based on operational principles (tax follows business). Global responsibility for taxes is assigned to our Head of Tax. Important tax-related decisions are made in the Tax Compliance and Tax Risk Committee (TCRC), which the Chief Financial Officer is also a member of. The tax guidelines regulate the responsibilities, tasks, and duties of the people entrusted with tax tasks at our Company and promote awareness of tax requirements.

Training offers

We offer a comprehensive range of training courses on compliance topics. The need for the training courses is regularly determined and the content is adapted and further developed in line with the latest findings. The content and topics of the training are based on the roles and functions of the respective target group. Employees in administration are offered a web-based, target Group-specific training program that consists of various mandatory modules. We assign the relevant training modules to employees when they are hired, promoted or when they change to a role with increased risk.

The web-based training is available worldwide via a learning management system. Our administrative staff are required to attend training on our Code of Conduct every three years via the Daimler Truck Learning Management System. Training focuses on the principles of the Daimler Truck Code of Conduct. Participants receive information on our Purpose Principles, the correct handling of donations, antitrust law, corruption prevention, data protection, and how to deal with legal and regulatory violations via our SpeakUp whistleblowing system. New employees joining the Company are automatically assigned this training after joining.

In particular, the sales and marketing departments as well as purchasing are high-risk functions and receive our special attention. The proportion of high-risk functions covered by training programs is 100%. The Basic Training Module – Daimler Truck Code of Conduct - contains content on corruption prevention and is provided to all administrative employees of Daimler Truck AG and its controlled Group companies and thus covers all risk-bearing functions.

We supplement the web-based training offer with face-to-face trainings, some of which we conducted digitally in 2024. Employees from production and production-related areas can voluntarily participate in the web-based training program and also complete a training course specially developed for commercial areas. Newly appointed members of executive boards and comparable positions complete the mandatory web-based Executive Module – Corporate Governance.

The following table ↗ **B.73** provides an overview of our training courses.

B.72

The Daimler Truck compliance training program

Management and employee training	
Web-based **compliance training program**	– Centrally assigned **basic, management, expert, and executive modules** (mandatory) for employees in administrative departments of Daimler Truck AG and controlled Group companies **taking into account the respective role function and risk.** – System-based reporting functions and automatic reminders to **track completion of mandatory trainings.**
Face-to-face / virtual trainings	– The **local Legal and Compliance network** offers additional training in face-to-face and/or virtual formats as required - taking into account the local risk profile of the respective unit and the centrally available webbased training courses. The infrastructure for the documentation of these training sessions is provided centrally.
Compliance awareness for suppliers and sales business partners	
Compliance Awareness Module for suppliers and sales business partners	– The **web-based Compliance Awareness Module** is made available online to Daimler Truck **suppliers and sales business partners.** The content refers amongst others to our Daimler Truck Business Partner Standards. – The module explains our **guiding principles** for **integrity** and supports our business partners in dealing with potential integrity and compliance risks.

B.73

Training on corruption and bribery

Training	Scope	Target group	Number of participants[1]	Of which managers[2]	Repetition frequency[3]	Training format
Basic Module - Daimler Truck Code of Conduct	Living Purpose Principles in everyday work, dealing with donations correctly (corruption prevention), protecting free competition, protecting data from us and others, pointing out violations of the law and rules, communicating responsibly and securely on social media	All active employees of the administration of Daimler Truck AG & controlled Group companies	42,922	5,247	3 years	online
Expert Module - Compliance@Marketing&Sales	Handling transactions, Daimler Truck's sales system, antitrust law, maintaining business relationships (corruption prevention), dealing with business partners, human rights compliance	Active employees of the administration of Daimler Truck AG and controlled Group companies worldwide in marketing and sales functions	11,966	1,458	3 years	online
Expert Module - Compliance@Procurement	Careful selection of business partners, corruption prevention, antitrust law, human rights compliance, data compliance, protection of intellectual property - specific regulations for production material, product compliance, Incoterms 2020 in connection with customs clearance	Active employees of the administration of Daimler Truck AG and controlled Group companies worldwide in central purchasing functions	1,763	240	3 years	online
Executive Module - Corporate Governance	Legal aspects, policy management, organizational design, compliance including corruption prevention, risk management, external affairs, taxes & customs, related party transactions according to ARUG II, additional module for CFO, D&O insurance	All CEOs/CFOs, all level 2 managers (full-time and part-time employees) of the administration of Daimler Truck AG and controlled Group companies, all heads of business units of the administration of Daimler Truck AG and all mandate holders of controlled and non-controlled associated companies	82	80	3 years	online

1 This includes all active administrative employees (full-time and part-time) of Daimler Truck AG and controlled Group companies who meet the IT requirements for conducting training in the Daimler Truck Learning Management System.

2 This includes all managers (full-time and part-time employees) at levels 4 and higher of Daimler Truck AG and controlled Group companies who meet the IT requirements for conducting training in the Daimler Truck Learning Management System.

3 Employees who move to a role with increased risk or who start a new role with increased risk will automatically be assigned the relevant training.

Cooperation with business partners (ESRS G1)

A trusting collaboration with sales partners and suppliers is based on a shared understanding of values and a willingness to share responsibility. For us at Daimler Truck, we consider compliance with legal requirements and ethical conduct essential for sustainable business relationships. We strive to ensure that not only our employees, but also our business partners act in accordance with these principles to the greatest extent possible. By regularly updating our risk assessments and integrating new standards into our strategy, we promote the continuous development of collaboration - with the aim of strengthening our business relationships.

In our Business Partner Standards we have defined what we expect from our business partners, including our suppliers. These standards include requirements relating to the respect and protection of human rights, the promotion of good working conditions, environmental protection and compliance with legal regulations. The Business Partner Standards can be found at www.daimlertruck.com/en/company/compliance/compliance-of-our-business-partners.

The following table ↗ B.74 shows the material impact related to cooperation with business partners.

We expect our business partners, especially our direct suppliers, to recognize these standards and to appropriately communicate their content to their employees and along their upstream value chain. We also expect them to regularly check compliance with these standards. We see this as an essential prerequisite for successful cooperation. Further and detailed regulations on these standards are contained in our purchasing contract conditions on social responsibility and environmental protection, as well as in the compliance contract clauses.

To support our sales partners and suppliers, we provide a specially developed compliance awareness module. This is based on the content of our Business Partner Standards, among other things, conveys current requirements and offers suppliers and sales partners practical assistance in dealing with potential compliance risks. Further information is available on our website at www.dt-compliance-awareness-module.com/en/.

In the production material purchasing department, a sustainability rating based on self-assessment is requested and taken into account as a mandatory criterion before new orders are placed above a certain order value.[2]

2 The contract value for new contracts must be over €1 million and the supplier must have an annual turnover of more than €15 million, then the SAQ rating is mandatory.

Both suppliers and existing suppliers are checked for their sustainability criteria before a potential order is placed especially when new locations or additional production volumes are added. Suppliers are expected to disclose information about social and human rights standards as well as environmental standards. If necessary, we also carry out audits of suppliers with an increased risk exposure.

New suppliers of non-production material, especially service providers in high-risk countries and from potentially critical product groups, are subject to a due diligence review that also covers human rights issues.

Direct suppliers are regularly assessed through risk-based due diligence processes for existing suppliers, particularly for human rights risks. The two-stage risk analysis begins with an initial risk assessment, which is carried out using an IT system and various risk indicators such as site and use of critical raw materials. We then subject identified high-risk suppliers to an in-depth risk analysis, primarily through the use of supplier questionnaires. Further information can be found at supplier.daimlertruck.com/en/ and in chapter Human rights in the value chain.

M&A compliance program

We also carry out compliance risk assessments for M&A projects. The aim of these risk assessments is to uncover all corruption-related factors and to identify all challenges related to the reputation and integrity of the transaction partner that could affect or call into question the transaction. In addition, the relevant sanctions lists and the requirements for prevention of money laundering and terrorist financing are taken into account for each transaction.

B.74

Material impacts, risks, and opportunities related to coorperation with business partners[1]

Category	Title	Description
Positive impact (VC)	**Cooperation with selected business partners promotes sustainable action (M)**	By integrating social, environmental and governance criteria into the selection process and formulating our expectations for sustainable action in our Business Partner Standards, we make a positive contribution to sustainable business in close cooperation with our business partners, especially suppliers.

1 Legend: (VC) Value chain, (M) Medium-term time horizon

In addition, risks of respecting and protecting human rights are integrated into the decision-making and due diligence process for M&A transactions. Where necessary, product compliance aspects and Data and IT compliance issues are included in the compliance risk assessment of an M&A transaction. In the event of relevant findings, necessary compliance actions are defined. In general, our standard compliance clauses for M&A contracts include aspects of good and sustainable corporate governance, compliance with laws, and respect for human rights.

Our policies

At Daimler Truck, we have policies that cover some areas of our value chain and help us to overcome challenges in dealing with our sales partners and suppliers in a structured manner. These policies set out key principles for our actions.

B.75

Daimler Truck Business Partner Standards

Category	Description
Most important content	Our expectations of business partners - including suppliers - regarding respect and protection of human rights, environmental, climate protection, and other compliance-relevant topics are defined in our Daimler Truck Business Partner Standards. This includes in particular the topics of fair wages and occupational safety, respect for freedom of association, requirements for the deployment of security forces, human trafficking, forced and child labor, and responsible use of natural resources.
General objectives	The Daimler Truck Business Partner Standards are intended to ensure that all of the Company's business partners adhere to certain ethical and legal standards in order to protect the Company and its partners from legal and reputational risks. By setting clear standards and expectations regarding respect for human rights, negative impacts on workers in the value chain are prevented.
Reference to material impacts, risks or opportunities	The Daimler Truck Business Partner Standards are part of Daimler Trucks' strategy for managing its material impacts on workers in the value chain. By formulating our expectations for sustainable action, we make a positive contribution to sustainable business in close cooperation with our business partners, especially suppliers.
Monitoring process	The Business Partner Standards are reviewed as part of the annual measurement of the adequacy, implementation and effectiveness of the CMS.
Scope	The Daimler Truck Business Partner Standards cover workers in the value chain and do not refer exclusively to specific groups.
Responsible organizational level	The Business Partner Standards are created jointly by all relevant Centers of Competence (CoC) from Legal & Compliance as well as relevant specialist departments of Daimler Truck AG.
Reference to standards and initiatives of third parties	In our Business Partner Standards we refer in particular to respect for the following international standards: Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights, the core labor standards of the International Labor Organization (ILO), the UN Guiding Principles on Business and Human Rights, and the 10 Principles of the United Nations Global Compact.
Consideration of the interests of stakeholders	The Business Partner Standards take into account the interests of the relevant stakeholders, in particular our suppliers, service providers and other business partners.
Availability of the policy for stakeholders	The Business Partner Standards are publicly available on the website supplier.daimlertruck.com/en/support/news/the-daimler-truck-business-partner-standards and are available to all employees at any time via the central policy platform.

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Mandatory contractual clauses on social responsibility and environmental protection

Category	Description
Most important content	The clauses define the standards and requirements for suppliers with regard to respect for human rights and good working conditions as well as environmental protection. This includes in particular the topics of fair wages and occupational safety, respect for freedom of association, requirements for the use of security forces, forced labor and the responsible use of natural resources. With regard to environmental standards and environmental compatibility, binding specifications for environmentally friendly production, energy and resource preservation, waste reduction, and chemical management are formulated. In addition, we encourage our suppliers to support our goals with regard to achieving CO_2e neutrality for our products and services.
General objectives	The Group-wide binding clauses on social responsibility and environmental protection define clear standards and requirements for cooperation with suppliers. They also ensure the contractual implementation of the relevant human rights and environmental standards that are expressed in our Business Partner Standards for suppliers. The contractual arrangement makes it possible to legally enforce our expectations towards suppliers if necessary. It serves both to ensure compliance with legal requirements and to promote social and environmental standards along the upstream value chain.
Reference to material impacts, risks or opportunities	The clauses address the reduction of environmental and climate impacts in the value chain and the minimization of risks through environmentally friendly production processes and forward-looking resource planning. In addition, they represent an essential component in ensuring that human rights standards are respected at Daimler Truck along our value chain. Overall, this contributes to the prevention and minimization of negative impacts on workers in the upstream value chain.
Monitoring process	Monitoring compliance through supplier audits and/or supplier self-assessments; certification audit for environmental management systems according to ISO 14001, EMAS or comparable standards.
Scope	Global requirements for suppliers of production and non-production materials.
Responsible organizational level	The purchasing department is primarily responsible for the effective integration of contractual clauses in our contracts with business partners. It is supported by the legal department if necessary.
Reference to third-party initiatives	The clauses are based on international standards such as the International Bill of Human Rights and the 10 Principles of the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labour Organization's core labor standards. They also refer to ISO 14001, EMAS and comparable environmental management standards.
Consideration of the interests of stakeholders	Requirements for resource-saving and environmentally friendly production that meet the expectations of environmental initiatives, legal regulations and customer needs.
Availability of the policy for stakeholders	The clauses are an integral part of the supplier contracts and are also publicly accessible via the Daimler Truck Supplier Portal at supplier.daimlertruck.com/en/.

Notes to the chapter Sustainability at Daimler Truck

Disclosure requirements and inclusion by reference

The following tables list all disclosure requirements of ESRS 2 and the seven thematic ESRS standards that are material for Daimler Truck and that were used as a basis for preparing our Group Sustainability Statement. We have not taken into account all disclosure requirements of the thematic standards E3, E4 and S3, as these are below our materiality threshold.
The tables can be used to find the information related to a specific disclosure requirement in the Group Sustainability Statement.
The tables also show where we have located information relating to a specific disclosure requirement outside the Group Sustainability Statement and included it by reference.

In cases where we do not yet have information on a disclosure requirement, no reference is provided.

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ESRS 2 - General requirements

		Page
BP-1	General basis for the preparation of sustainability statements	**68**
BP-2	Disclosures in relation to specific circumstances	**68 - 69**
GOV-1	The role of administrative, management and supervisory bodies	**70 - 71**
GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	**71**
GOV-3	Integration of sustainability-related performance in incentive schemes	**75**
GOV-4	Statement on due diligence	**160**
GOV-5	Risk management and internal controls over sustainability reporting	**71; 73 - 74**
SBM-1	Strategy, business model and value chain	**67**
SBM-2	Interests and views of stakeholders	**75**
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	**78**
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	**76 - 78**
IRO-2	Disclosure requirements in ESRS covered by the undertaking’s sustainability statement	**153 - 157**

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ESRS E1 - Climate change

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ESRS E2 - Pollution

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ESRS E5 - Resource use and circular economy

		Page
E5-1	Policies related to resource use and circular economy	**99 - 100**
E5-2	Actions and resources related to resource use and circular economy	**101 - 103**
E5-3	Targets related to resource use and circular economy	**100**
E5-4	Resource inflows	**103 - 104**
E5-5	Resource outflows	**104 - 105**
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	Phase-in

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ESRS S1 - Own workforce

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ESRS 2, SBM-2	Interests and views of stakeholders	**115**
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	**115 - 116**
S1-1	Policies related to own workforce	**117; 125 - 131**
S1-2	Processes for engaging with own workers and workers' representatives about impacts	**116 - 117; 119**
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	**117**
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	**118 - 120; 121 - 122**
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	**120**
S1-6	Characteristics of the undertaking's employees	**123**
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Phase-in
S1-8	Collective bargaining coverage and social dialog	**117; 124**
S1-9	Diversity metrics	**120 - 121**
S1-10	Adequate wages	**124**
S1-11	Social protection	Phase-in
S1-12	Persons with disabilities	Phase-in
S1-13	Training and skills development metrics	Phase-in
S1-14	Health and safety metrics	**122**
S1-15	Work-life balance metrics	Phase-in
S1-16	Compensation metrics (pay gap and total compensation)	**125**
S1-17	Incidents, complaints and severe human rights impacts	**117**

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ESRS S2 - Workers in the value chain

		Page
ESRS 2, SBM-2	Interests and views of stakeholders	**132; 135**
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	**132**
S2-1	Policies related to value chain workers	**134**
S2-2	Processes for engaging with value chain workers about impacts	**132 - 133**
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	**133**
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	**135 - 137**
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	**135**

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ESRS S4 - Consumers and end-users

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ESRS 2, SBM-2	Interests and views of stakeholders	**139**
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	**138**
S4-1	Policies related to consumers and end-users	**141**
S4-2	Processes for engaging with consumers and end-users about impacts	**140 - 141**
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	**140 - 141**
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	**141 - 143**
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	**139**

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ESRS G1 - Business conduct

List of data points in general and topic-specific standards arising from other EU legislation

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Data points from other EU legislation

Disclosure obligation	Data point	Data point name	Page
ESRS 2 GOV-1	21 (d)	Gender Diversity in Management and Supervisory Bodies	**70**
ESRS 2 GOV-1	21 (e)	Percentage of management body members who are independent	**70**
ESRS 2 GOV-4	30	Declaration of due diligence	**160**
ESRS 2 SBM-1	40 (d) i	Involvement in fossil fuel-related activities	n / a
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to the production of chemicals	n / a
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	n / a
ESRS 2 SBM-1	40 (d) iv	Participation in activities related to the cultivation and production of tobacco	n / a
ESRS E1-1	14	Transition plan to achieve climate neutrality by 2050	**84**
ESRS E1-1	16 (g)	Companies that are exempt from the reference values agreed in Paris	n / a
ESRS E1-4	34	GHG emission reduction targets	**84**
ESRS E1-5	38	Energy consumption from fossil fuels broken down by source (climate-intensive sectors only)	**91**
ESRS E1-5	37	Energy consumption and energy mix	**90 - 92**
ESRS E1-5	40-43	Energy intensity related to activities in climate-intensive sectors	**92**
ESRS E1-6	44	Gross GHG emissions in the Scope 1, 2 and 3 categories and total GHG emissions	**93**
ESRS E1-6	53-55	Intensity of gross GHG emissions	**92**
ESRS E1-7	56	Removal of greenhouse gases and CO_2 certificates	**96**
ESRS E1-9	66	Risk position of the reference portfolio against climate-related physical risks	Phase-in
ESRS E1-9	66 (a), 66 (c)	Breakdown of monetary amounts by acute and chronic physical risk; location where significant assets with significant physical risk are located	Phase-in
ESRS E1-9	67 (c)	Breakdowns of the book value of its real-estate by energy efficiency classes	Phase-in
ESRS E1-9	69	Degree of portfolio exposure to climate-related opportunities	Phase-in
ESRS E2-4	28	Amount of each pollutant listed in notes II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted into air, water and soil	n / a
ESRS E3-1	9	Water and marine resources	Not material
ESRS E3-1	13	Special concept	Not material
ESRS E3-1	14	Sustainable Oceans and Seas	Not material
ESRS E3-4	28 (c)	Total amount of water recovered and reused	Not material
ESRS E3-4	29	Total water consumption in m^3 per net income from own activities	Not material
ESRS 2 SBM-3 E4	16 (a) i		Not material
ESRS 2 SBM-3 E4	16 (b)		Not material
ESRS 2 SBM-3 E4	16 (c)		Not material

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Data points from other EU legislation

Disclosure obligation	Data point	Data point name	Page
ESRS E4-2	24 (b)	Sustainable procedure or strategies in the field of land use and agriculture	Not material
ESRS E4-2	24 (c)	Sustainable procedure or strategies in the oceans/seas sector	Not material
ESRS E4-2	24 (d)	Strategies to Combat Deforestation	Not material
ESRS E5-5	37 (d)	Non-recycled waste	**104**
ESRS E5-5	39	Hazardous and radioactive waste	**105**
ESRS 2-SBM 3 S1	14 (f)	Risk of forced labor	Not material
ESRS 2-SBM 3 S1	14 (g)	Risk of child labor	Not material
ESRS S1-1	20	Commitments in the area of human rights policy	**126**
ESRS S1-1	21	Due diligence provisions relating to issues covered by fundamental conventions 1 to 8 of the International Labour Organization	**126**
ESRS S1-1	22	Procedure and Measures to Combat Human Trafficking	**126**
ESRS S1-1	23	Strategy or management system relating to the prevention of occupational accidents	**127**
ESRS S1-3	32 (c)	Handling of complaints	**146**
ESRS S1-14	88 (b), 88 (c)	Number of deaths and number and rate of occupational accidents	**122**
ESRS S1-14	88 (e)	Number of days lost due to injury, accidents, deaths or illnesses	Phase-in
ESRS S1-16	97 (a)	Unadjusted gender pay gap	**125**
ESRS S1-16	97 (b)	Excessive remuneration of members of the management bodies	**125**
ESRS S1-17	103 (a)	Cases of discrimination	**117**
ESRS S1-17	104 (a)	Non-respect with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	**117**
ESRS 2-SBM 3 S2	11 (b)	Significant risk of child labor or forced labor in the value chain	**132**
ESRS S2-1	17	Commitments in the area of human rights policy	**135**
ESRS S2-1	18	Strategies related to labor in the value chain	**135**
ESRS S2-1	19	Non-respect with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	**133**
ESRS S2-1	19	Due diligence provisions relating to issues covered by fundamental conventions 1 to 8 of the International Labour Organization	**134**
ESRS S2-4	36	Human rights issues and incidents within the upstream and downstream value chain	**133**
ESRS S3-1	16	Human rights obligations	Not material
ESRS S3-1	17	Non-respect with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines	Not material
ESRS S3-4	36	Human Rights Issues and Incidents	Not material
ESRS S4-1	16	Strategies related to consumers and end users	**141**
ESRS S4-1	17	Non-respect with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	**140**
ESRS S4-4	35	Human Rights Issues and Incidents	**133**
ESRS G1-1	10 (b)	United Nations Convention against Corruption	**145**
ESRS G1-1	10 (d)	Protection of whistleblowers	Not material
ESRS G1-4	24 (a)	Fines for violations of corruption and bribery laws	**147**
ESRS G1-4	24 (b)	Standards for Combating Corruption and Bribery	**147**

Declaration of Due Diligence

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Declaration of due diligence

Core elements of due diligence	Unit sales in the sustainability statement
a) Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-2: 71 ESRS 2 GOV-3: 75 ESRS 2 SBM-3: 80 (E1); 115-116 (S1); 132 (S2); 138 (S4)
b) Involvement of affected stakeholders in all important steps of due diligence	ESRS 2 GOV-2: 71 ESRS 2 SBM-2: 75 ESRS 2 IRO-1: 76-78 ESRS 2 MDR-P: 72, 74 (ESRS 2); 83 (E1); 126 - 131 (S1);134 (S2);141 (S4)
c) Identification and measurement of negative impacts	ESRS 2 IRO-1: 76-78 (E1, E2, E5, G1) Other: 116 (S1); 132 (S2);138 (S4)
d) Measures to counteract these negative impacts	ESRS 2 MDR-A: 85 - 90 (E1); 97 (E2); 101 - 103 (E5); 118 - 122 (S1); 135 - 137 (S2); 141 - 143 (S4)
e) Tracking the effectiveness of these efforts and communication	ESRS 2 MDR-M: 90 - 96 (E1); 104 - 105 (E5); 120 - 125 (S1) ESRS 2 MDR-T: 84 - 85 (E1); 100 (E5);120 (S1); 135 (S2)

Inclusion of information by reference

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Referenced information

Data point	Reference	Page
ESRS 2 GOV-1.21c	EZUF[1], Overall requirement profiles for the composition of the Board of Management and Supervisory Board	**181; 183-184**
ESRS 2, GOV-1.23a	EZUF[1], Overall requirement profiles for the composition of the Board of Management and Supervisory Board	**181; 183-184**

1 Declaration on Corporate Governance.

References to external sources in the chapter Sustainability at Daimler Truck are not part of the Group Sustainability Statement. They are identified with the following symbol: 🌐

Editorial note
The last Annual Report with the chapter Sustainability at Daimler Truck was published on March 01, 2024.

Further information
In addition to the Group Sustainability Statement, other documents such as the ESG Factbook are published www.daimlertruck.com/en.

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Corporate Governance

Takeover-relevant information and explanation

Report pursuant to Sections 315a and 289a of the German Commercial Code (Handelsgesetzbuch or HGB)

Composition of the subscribed capital
As of December 31, 2024, the subscribed capital of Daimler Truck Holding AG (in the following also referred to as the Company) amounted to €791,868,298. The share capital is divided into 791,868,289 no-par-value shares. In the reporting year, the share capital was reduced from €822,951,882 to €791,868,289 with effect from November 05, 2024 by way of cancellation of treasury shares. Pursuant to Section 67 Subsection 2 Sentence 1 of the German Stock Corporation Act (Aktiengesetz or AktG), the rights and obligations arising from shares exclusively exist in relation to the Company for and against the persons and entities entered in the share register. With the exception of own shares held by the Company (treasury shares), from which the Company does not derive any rights, all shares confer equal rights to their holders. Each share grants its holder one vote and, with the exception of any new shares not entitled to dividends, an equal share in the profits in accordance with the dividend distribution approved by the Annual General Meeting. The rights and obligations arising from the shares are derived from applicable law, in particular Sections 12, 53a et seq., 118 et seq. and 186 of the German Stock Corporation Act (AktG). As of December 31, 2024, the Company held 10,094,653 treasury shares which have been acquired in the course of the Company's share buyback program beginning in August 2023.

Restrictions affecting voting rights or the transfer of shares
The Company is not entitled to any rights from treasury shares. In the cases set out in Section 136 of the German Stock Corporation Act (AktG), voting rights associated with such shares are excluded by law.

In the context of the separation of the commercial vehicle business from the Mercedes-Benz Group in the 2021 financial year, Mercedes-Benz Group AG (formerly Daimler AG), Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH (formerly Daimler Verwaltungsgesellschaft für Grundbesitz mbH), and Daimler Truck Holding AG entered into a so-called deconsolidation agreement on August 06, 2021, as an annex to the spin-off and hive-down agreement, which took effect upon entry of the spin-off and hive-down in the commercial register of Mercedes-Benz Group AG as transferring legal entity on December 09, 2021. This is intended to ensure that a de-facto majority of Mercedes-Benz Group AG at the General Meeting of Daimler Truck Holding AG does not lead to a control relationship and a related full consolidation obligation of Daimler Truck Holding AG at Mercedes-Benz Group AG. To this end, the deconsolidation agreement provides, among other things, that Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH undertake not to exercise their voting rights in the election of two out of ten shareholder representatives to the Supervisory Board of Daimler Truck Holding AG at the General Meeting of Daimler Truck Holding AG.

Furthermore, the agreement provides that Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH shall not exercise their voting rights in the event of an early election or re-election of individual shareholder representatives or in the event of the election of substitute members, insofar as a resolution is adopted on the appointment or reappointment or replacement of a Supervisory Board member in whose original election they did not exercise their voting rights. This also applies to resolutions on the dismissal of Supervisory Board members, insofar as they did not exercise their voting rights in the election of the relevant Supervisory Board members on the basis of the deconsolidation agreement. With regard to the election of the eight shareholder representatives for which Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH are entitled to exercise their voting rights under the deconsolidation agreement, the latter provides that Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH shall submit corresponding proposals to the Supervisory Board of the Company in good time prior to the adoption of the resolution on its election proposals. The deconsolidation agreement entered into force upon the spin-off taking effect and has an initial term until the end of the fifth Annual General Meeting of Daimler Truck Holding AG following the Annual General Meeting of Daimler Truck Holding AG in 2022, and will be extended if it is not duly terminated by either party. Subject to any approvals under merger and investment control legislation, the agreement will come to an end in accordance with Section 158 Subsection 2 of the German Civil Code (Bürgerliches Gesetzbuch or BGB) (condition subsequent) if the (in)direct share ownership of Mercedes-Benz Group AG in Daimler Truck Holding AG falls below 20.00% of the shares.

In the context of the Group separation agreement, which is also an annex to the spin-off and hive-down agreement, which was notarized on August 06, 2021, Mercedes-Benz Group AG had committed not to sell any of the shares in Daimler Truck Holding AG directly or indirectly held by Mercedes-Benz Group AG at the time of consummation of the spin-off and hive-down agreement without the prior consent of the Daimler Truck Holding AG until the end of the day that fell 36 months after the first day of trading of the shares in Daimler Truck Holding AG on the Frankfurt Stock Exchange (lock-up period). The lock-up period expired on December 11, 2024. Furthermore, Mercedes-Benz Group AG has stated with regard to the manner of disposal to be sought that, in the event of a disposal within the first six years after the first stock exchange trading day of the shares in Daimler Truck Holding AG, it will sell the relevant shares in Daimler Truck Holding AG primarily in such a way that the disposal results in an increase in the free float of Daimler Truck Holding AG, unless this form of disposal would not be compatible with the duties of care of the Board of Management of Mercedes-Benz Group AG (Section 93 Subsection 1 of the German Stock Corporation Act (AktG)).

Shares in Daimler Truck Holding AG, which employees of Daimler Truck AG and its German subsidiaries have acquired as part of the employee share program of Daimler Truck AG in accordance with Sections 71d Sentence 2, 71 Subsection 1 No. 2 of the German Stock Corporation Act (AktG), are subject to a lock-up until the end of the year following the year of acquisition. Shares in Daimler Truck Holding AG, which employees of Daimler Truck España, S.L.U., Daimler Truck Financial Services España, E.F.C., S.A.U., Daimler Truck Renting España S.A.U. and Daimler Buses España, S.A.U. acquired as part of the employee share program of the Spanish Group companies are subject to a lock-up period of three years from the date of the transfer of the shares to the employees.

In accordance with the plan conditions and the Stock Ownership Guidelines of the ongoing Performance Phantom Share-Plans (PPSP) and Virtual Share-based Equity Plans (VESP), members of the Board of Management are required to acquire Daimler Truck Holding AG shares until a defined target volume of shares in Daimler Truck Holding AG is reached and to hold the said shares for the duration of their employment status at the Group. This obligation also applies to Executive Vice Presidents. For other eligible PPSP and VESP participants, this obligation is not applicable.

Shareholdings exceeding 10.00% of voting rights

As of December 31, 2024, Mercedes-Benz Group AG, with registered office in Stuttgart, Germany, directly held 24.36% of the voting rights in Daimler Truck Holding AG. In addition, Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH, with registered office in Schönefeld, Germany, a wholly owned subsidiary of Mercedes-Benz Group AG, held 6.83% of the voting rights in Daimler Truck Holding AG as of the reporting date. The proportion of voting rights of Mercedes-Benz Group AG directly and attributed via Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH as subsidiary amounted therefore to 31.19% of the voting rights.

In addition, voting rights from shares in Daimler Truck Holding AG which were transferred via Mercedes-Benz Pension Trust e.V. to an investment fund at the end of January 2022 to secure pension liabilities of Mercedes-Benz Group AG and Mercedes-Benz AG were attributed to Mercedes-Benz Group AG in accordance with Section 34 of the German Securities Trading Act (Wertpapierhandelsgesetz or WpHG). According to the voting rights notification of January 28, 2022 this affected 41.1 million shares, which now correspond to 5.19% of the share capital of Daimler Truck Holding AG according to the voting rights notification of Mercedes-Benz Pension Trust e.V. dated November 06, 2024. The total number of voting rights of Mercedes-Benz Group AG or attributed to Mercedes-Benz Group AG under the German Securities Trading Act (WpHG) as of December 31, 2024 amounted to a total of 36.38% of the voting rights. The increase in the percentages of voting rights compared to the previous year is due to the reduction in share capital of Daimler Truck Holding AG on November 05, 2024.

Other direct or indirect holdings of the share capital of Daimler Truck Holding AG that reach or exceed 10.00% of the voting rights were not reported to the Company and are otherwise not known.

Legal requirements and provisions laid down in the Articles of Incorporation regarding the appointment and dismissal of members of the Board of Management and regarding amendments to the Articles of Incorporation

The appointment and dismissal of members of the Board of Management is based on Sections 84, 85 of the German Stock Corporation Act (AktG) and Section 31 of the German Co-Determination Act (Mitbestimmungsgesetz or MitbestG). Pursuant to Section 84 of the German Stock Corporation Act (AktG), the members of the Board of Management are appointed by the Supervisory Board for a maximum term of five years. According to Recommendation B.3 of the German Corporate Governance Code, the initial appointment of members of the Board of Management is to be for a maximum of three years. Already prior to the stock exchange listing of Daimler Truck Holding AG, Martin Daum was appointed as a member of the Board of Management of Daimler Truck Holding AG until February 28, 2025 and Jürgen Hartwig until November 30, 2026. This exception to the three year term is explained and justified in the Declaration of Compliance with German Corporate Governance Code. The appointment of the other members of the Board of Management who are still in office complied with the recommendation. Since December 10, 2021, the Rules of Procedure of the Supervisory Board of Daimler Truck Holding AG stipulate that the initial appointment of members of the Board of Management will henceforth be for a maximum of three years. A reappointment or extension of the term of office, in each case for a maximum of five years, is permissible.

Pursuant to Section 31 Subsection 2 of the German Co-Determination Act (MitbestG), the Supervisory Board appoints the members of the Board of Management by a majority comprising at least two thirds of the votes of its members. If an appointment is not made in this way, the Mediation Committee of the Supervisory Board will submit a proposal for the appointment to the Supervisory Board within one month of the vote in which the required majority was not achieved. In this case the Supervisory Board appoints the members of the Board of Management by a majority of the votes cast by its members. If an appointment is still not forthcoming, the Chairman of the Supervisory Board has two votes in a new vote. This procedure applies analogously to the revocation of the appointment of members of the Board of Management.

In accordance with Article 6 of the Articles of Incorporation, the Board of Management consists of at least two members. The number of members is determined by the Supervisory Board. The Supervisory Board can appoint a Chairperson of the Board of Management and a Deputy Chairperson of the Board of Management. If a required member of the Board of Management is absent, in urgent cases, the member will be appointed by the court at the request of one of the affected parties pursuant to Section 85 Subsection 1 of the German Stock Corporation Act (AktG). The Supervisory Board can revoke an appointment to the Board of Management and the appointment as Chairperson of the Board of Management in accordance with Section

84 Subsection 4 of the German Stock Corporation Act (AktG) if there is good cause to do so.

Pursuant to Section 179 Subsection 1 Sentence 1 of the German Stock Corporation Act (AktG), the Articles of Incorporation can only be amended by a resolution of the General Meeting. Unless binding provisions of the German Stock Corporation Act (AktG) or the Articles of Incorporation state otherwise, resolutions of the General Meeting are adopted by a simple majority of the votes cast in accordance with Section 133 of the German Stock Corporation Act (AktG) and Article 15 Paragraph 2 Sentence 1 of the Articles of Incorporation. Insofar as the German Stock Corporation Act (AktG) also requires a majority of the share capital represented when a resolution is adopted, a simple majority of the share capital represented will suffice in accordance with Article 15 Subsection 2 Sentence 2 of the Articles of Incorporation, insofar as this is legally permissible. Pursuant to Article 15 Paragraph 2 Sentence 3 of the Articles of Incorporation, the dismissal of a member of the Supervisory Board elected by the shareholders requires a majority of at least three quarters of the votes cast. Pursuant to Section 179 Subsection 2 of the German Stock Corporation Act (AktG), a change in the objects of the Company requires, in addition to a simple majority of votes, a majority of three quarters of the share capital represented; the Articles of Incorporation do not make use of the possibility of specifying a larger majority of the share capital for this purpose. Pursuant to Article 9 Paragraph 8 of the Articles of Incorporation, the Supervisory Board can decide on amendments to the Articles of Incorporation that only affect the wording. The Supervisory Board has delegated this task to the Presidential and Remuneration Committee. Pursuant to Section 181 Subsection 3 of the German Stock Corporation Act (AktG), amendments to the Articles of Incorporation take effect upon entry in the commercial register.

Authority of the Board of Management to acquire treasury shares

By resolution of the Annual General Meeting of May 15, 2024 the authorization of the Board of Management to acquire and use treasury shares and to exclude subscription rights resolved by the Extraordinary General Meeting of November 05, 2021 and limited until October 31, 2026 (hereinafter also referred to as the 2021 Authorization) was cancelled to the extent that it had not been used by May 15, 2024. At the same time by resolution of the Annual General Meeting of May 15, 2024, the Board of Management was authorized, with the consent of the Supervisory Board, in the period until May 14, 2029, to acquire treasury shares for any permissible purpose in an extent of up to 10.00 % of the share capital existing at the time of the adoption of the resolution by the General Meeting or – if this value is lower – of the share capital existing at the time of the exercise of this authorization and to use them for any other legally permissible purpose in addition to selling them on the stock exchange or offering them to all shareholders in proportion to their shareholdings (hereinafter also referred to as the 2024 Authorization). The shares can be used, among other things, with the exclusion of shareholders' subscription rights and with the consent of the Supervisory Board, in the context of company mergers and company acquisitions or can be sold against cash payment to third parties at a price that is not significantly lower than the stock exchange price at the time of the sale. The acquired shares can also be used to fulfill obligations from issued convertible bonds and/or bonds with warrants and to be issued to employees of the Company and employees and board members of affiliated companies within the meaning of Sections 15 et seq. of the German Stock Corporation Act (AktG). The treasury shares can also be canceled.

During the term of the authorization, the total of treasury shares held by the Company used with the exclusion of shareholders' subscription rights cannot account for more than 10.00% of the share capital at the time the authorization takes effect or – if lower – at the time it is exercised. If, during the term of the authorization until it is exercised, use is made of other authorizations to issue or sell shares in the Company or to issue rights enabling or obliging subscription to shares in the Company and shareholders' subscription rights are excluded in this process, this is to be counted towards the aforementioned 10.00% limit.

The Board of Management was authorized, with the consent of the Supervisory Board, to acquire treasury shares up to a maximum of 5.00% of the share capital existing at the time this authorization took effect, also with the use of derivatives (put and call options, forward purchases or a combination of these instruments), whereby the term of the derivatives cannot exceed 18 months and has to be chosen in such manner that the acquisition of the shares in exercise of the derivative does not occur after May 14, 2029.

On the basis of the 2021 Authorization and with approval of the Supervisory Board, the Board of Management had resolved a share buyback program on July 10, 2023. On this basis treasury shares worth up to €2 billion (not including ancillary acquisition costs) are intended to be acquired on the stock exchange over a period of up to 24 months. The share buyback shall be carried out in two tranches. The purchased shares shall be redeemed, and the share capital reduced accordingly. Since the aforementioned resolutions of the Annual General Meeting of May 15, 2024, the share buyback program has been continued on the basis of the 2024 Authorization on unchanged terms.

From August 02, 2023 until August 30, 2024 31,083,593 treasury shares with a value of €1,032 million were acquired and redeemed by way of capital reduction with effect from November 05, 2024 within the framework of the first tranche of the share buyback program. From September 17, 2024 to December 31, 2024, 10,094,653 shares with a value of €360 million were acquired within the framework of the second tranche of the share buyback program. The second tranche was not completed in the reporting year. In total 23,509,721 shares with a value of €850 million (including expenses for the implementation of the share buyback program) were acquired in the reporting year. More information on the share buyback program can be found in Note 20. Equity and at www.daimlertruck.com/en/investors/share/share-buyback.

Authority of the Board of Management to issue shares

By resolution of the Extraordinary General Meeting of November 05, 2021, which took effect on December 09, 2021, the Board of Management was authorized, with the consent of the Supervisory Board, to increase the share capital of Daimler Truck Holding AG on one or more occasions on or before October 31, 2026, in whole or in part, by up to a total of €329,180,752 by issuing new no-par-value shares in exchange for cash contributions and/or non-cash contributions and, with the consent of the Supervisory Board, to exclude shareholders' subscription rights under certain conditions and within defined limits (Approved Capital 2021). Under these defined conditions, subscription rights can be excluded, among other things, in the case of capital increases against non-cash contributions for the purpose of acquiring a company and in the case of cash capital increases if the issue price of the new shares is not significantly lower than the stock-market price of the shares already listed.

The sum of the shares issued against cash and/or non-cash contributions under this authorization with the exclusion of shareholders' subscription rights may not account for more than 10.00% of the share capital at the time when this authorization takes effect. This limit will include shares that (i) are issued or sold during the term of this authorization with the exclusion of subscription rights, and (ii) are issued or can or must be issued to service bonds with conversion or option rights or conversion or option obligations, provided that the bonds are issued after this authorization takes effect with the exclusion of shareholders' subscription rights.

The Approved Capital 2021 has not yet been utilized.

Material agreements subject to a change of control
The following material agreements exist which contain provisions in the event of a change of control at Daimler Truck Holding AG, such as may occur, among other things, as the result of a takeover bid:

- a non-utilized syndicated credit facility totaling €5.0 billion concluded in March 2024. The credit facility provides for a right of termination by the lenders in the event that (i) Daimler Truck Holding AG becomes a subsidiary of another company or (ii) Daimler Truck Holding AG is controlled by one or more persons, acting either individually or jointly. Subsidiary within the meaning of the named credit facility is understood as in relation to a company, another company (i) that is directly or indirectly controlled by the first-mentioned company, (ii) in which more than 50.00% of the subscribed capital (or other equity) is held directly or indirectly by the first-mentioned company, or (iii) which is a subsidiary of another subsidiary of the first-mentioned company. Control within the meaning of the syndicated credit facility is understood as (i) the right to determine the affairs of a company, (ii) the right to control the composition of the Board of Management or similar boards, or (iii) the right to control the composition of the Supervisory Board (to the extent elected by the shareholders).

- a trademark and domain use agreement between Daimler Truck AG and Mercedes-Benz Intellectual Property GmbH & Co. KG (formerly Daimler Brand & IP Management GmbH & Co. KG), a wholly owned subsidiary of Mercedes-Benz Group AG, which provides that in the event of the acquisition of control by one or more third parties over Daimler Truck AG, this agreement can be terminated. Termination would have the consequence, among other things, that the brand Mercedes-Benz transferred to Daimler Truck AG for perpetual use and other licensed rights could no longer be used after the expiry of the stipulated periods. Also in the case of the sale or spin-off of business units of Daimler Truck AG or parts thereof, the brand Mercedes-Benz and the licensed rights can only continue to be used by the sold or spun-off segment if a new license agreement is then concluded with Mercedes-Benz Intellectual Property GmbH & Co. KG. Mercedes-Benz Intellectual Property GmbH & Co. KG will in good faith offer this kind of license agreement to the sold or spun-off business unit if the latter ensures that the quality requirements agreed between Daimler Truck AG and Mercedes-Benz Intellectual Property GmbH & Co. KG remain fulfilled and the reputation of the licensed rights continues to be safeguarded.

Other takeover-relevant information
There are no shares that confer special rights of control. Employees who hold shares in Daimler Truck Holding AG exercise their control rights in the same way as any other shareholder in accordance with the legal provisions and the provisions of the Articles of Incorporation. Furthermore, the Company has not entered into any compensation agreements with members of the Board of Management or employees in the event of a takeover bid.

Declaration on Corporate Governance

In this Declaration on Corporate Governance according to Sections 289f, 315d of the German Commercial Code (Handelsgesetzbuch or HGB), the Board of Management and Supervisory Board jointly report on the corporate governance for the 2024 financial year. Unless otherwise stated below, the following statements apply equally to Daimler Truck Holding AG and the Group. Pursuant to Section 317 Subsection 2 Sentence 6 of the German Commercial Code (HGB), the auditor's review of the statements pursuant to Section 289f Subsections 2 and 5 as well as Section 315d of the German Commercial Code (HGB) is limited to determining whether such statements have actually been provided. The Declaration on Corporate Governance is available at www.daimlertruck.com/en/company/corporate-governance/declarations-reports.

Declaration of the Board of Management and the Supervisory Board of Daimler Truck Holding AG pursuant to § 161 of the German Stock Corporation Act (Aktiengesetz) regarding the German Corporate Governance Code

Since the submission of the last declaration of compliance with the German Corporate Governance Code in December 2023, Daimler Truck Holding AG has complied with the recommendations of the Government Commission on the German Corporate Governance Code in the version of April 28, 2022 published on June 27, 2022 (hereinafter referred to as GCGC) with the following exceptions and will also continue to comply with them in future with the following exceptions:

– Recommendation B.3 GCGC states that initial appointments of board members should be for a maximum of three years. Already prior to the stock exchange listing of Daimler Truck Holding AG in December 2021, Martin Daum was appointed as a member of the Board of Management of Daimler Truck Holding AG until February 28, 2025 and Jürgen Hartwig until November 30, 2026. At the time, the longer appointment period took into account, in particular, that Daimler Truck Holding AG acts as the management holding company of Daimler Truck AG and that Martin Daum and Jürgen Hartwig have already been members of the Board of Management of Daimler Truck AG since October 1, 2019. The appointment of the other members of the Board of Management who are still in office was in accordance with the Recommendation. Recommendation B.3 GCGC will continue to be complied with in the future.

– According to Recommendation C.4 GCGC, a Supervisory Board member who is not a member of any management board of a listed company shall not accept more than five supervisory board mandates at non-group listed companies or comparable functions, with an appointment as chair of the supervisory board counting twice. According to Recommendation C.5 GCGC, members of the management boards of listed companies shall not accept in total more than two supervisory board mandates at non-group listed companies or comparable functions and shall not accept the chairmanship of a supervisory board at a non-group listed company. Instead of observing the recommended total number of mandates for members of the Board of Management and the Supervisory Board as a rigid upper limit, it should be possible to consider each individual case in order to assess whether the number of mandates held, which are relevant within the meaning of the Code, appears appropriate. In this context, the individual workload to be expected as a result of the mandates accepted should be taken into account, which may vary depending on the mandate.

Leinfelden-Echterdingen, December 2024

Daimler Truck Holding AG

On behalf of the Supervisory Board	On behalf of the Board of Management
Joe Kaeser Chairman	Karin Rådström Chairwoman

This Declaration of Compliance with German Corporate Governance Code (GCGC) is available at www.daimlertruck.com/en/company/corporate-governance/declarations-reports in addition to past Declarations of Compliance of the last five years, if already available.

Information about remuneration

Remuneration system and remuneration report
The remuneration system applicable to the members of the Board of Management in accordance with Section 87a Subsections 1 and 2, Sentence 1 of the German Stock Corporation Act (Aktiengesetz or AktG), including the approval of the Annual General Meeting on June 21, 2023 is available at www.daimlertruck.com/en/company/corporate-governance/board-of-management/remuneration-of-the-board-of-management. The resolution passed by the Annual General Meeting on June 22, 2022 in accordance with Section 113 Subsection 3 of the German Stock Corporation Act (AktG) on the remuneration of the members of the Supervisory Board is available at www.daimlertruck.com/en/company/corporate-governance/supervisory-board/remuneration-of-the-supervisory-board. The 2024 Remuneration Report and the auditor's report pursuant to Section 162 German Stock Corporation Act (AktG) will also be made publicly available on the two aforementioned websites.

The main principles and practices of corporate governance

Corporate Governance
The designation Daimler Truck Group includes Daimler Truck Holding AG and the companies of its Group. Daimler Truck Holding AG is a stock corporation organized under German Stock Corporation law, with registered office in Stuttgart and business address at Fasanenweg 10, 70771 Leinfelden-Echterdingen. It has three governing bodies: the Board of Management, the Supervisory Board and the General Meeting. The duties of the governing bodies are essentially derived from the German Stock Corporation Act (AktG), the Articles of Incorporation of Daimler Truck Holding AG, and the Rules of Procedure for the Board of Management and the Supervisory Board.

German Corporate Governance Code (GCGC)
In addition to the legal requirements of the German Stock Corporation, Co-determination and Capital market law, Daimler Truck Holding AG complied and complies with the recommendations of the GCGC in the version of April 28, 2022, with the exceptions specified and explained in the Declaration of Compliance with GCGC. Daimler Truck Holding AG also voluntarily complied and complies with the suggestions of the GCGC.

Principles guiding our conduct
Our business conduct is aligned with Group-wide standards and with our Company values that go beyond the requirements of the law and the GCGC. In order to achieve long-term and sustainable business success on this basis, our ambition is to ensure that our activities are in line with the interests of environment and society. This is because we, as one of the world's leading manufacturers of commercial vehicles, also strive to bring vehicles onto the roads that have a future. We have defined the most important principles in our Daimler Truck Code of Conduct, which serves as a frame of reference for all employees of the Daimler Truck Group and supports them in making the right decisions even in difficult business situations.

Our Code of Conduct
Our Code of Conduct defines our common understanding of how to behave properly and is a central component of our corporate culture. At the heart of our Code of Conduct are our four Purpose Principles:
- We start with listening.
- We build to solve.
- We lead with the long view.
- We progress together.

In addition to the Purpose Principles, our Code of Conduct includes requirements and regulations concerning respect for and the protection of human rights and dealing with conflicts of interest; it also prohibits all forms of corruption. The Code of Conduct applies to all companies and employees of the Daimler Truck Group worldwide. It is available at www.daimlertruck.com/en/company/compliance/daimler-truck-code-of-conduct.

Policy statement on Social Responsibility and Human Rights
We are committed to the UN Guiding Principles for Business and Human Rights of the United Nations and attach particular importance to the rights of the International Bill of Human Rights and the core labor standards of the International Labour Organziation (ILO). Respect for and protection of human rights is a fundamental element of our social responsibility. We are strongly committed to this in all our companies and expect our business partners to do the same. We confirm our commitment in our Policy Statement on Social Responsibility and Human Rights. It extends our obligation to respect human rights from our Code of Conduct and forms the basis for the assumption of social responsibility at Daimler Truck.

Expectations on our business partners
In our Daimler Truck Business Partner Standards we define our requirements for our business partners with regard to respect for and protection of human rights, good working conditions, environmental protection and compliance. We require our business partners – in particular our direct suppliers – to comply with these standards and to communicate them to their employees and their upstream value chain. We also expect our business partners to assess whether these standards are being complied with. Adherence to these standards is the most important prerequisite for successful cooperation. Detailed regulations on these standards and requirements are contained in our contractual terms and conditions. Information about what we expect of our business partners can be found at www.daimlertruck.com/en/company/compliance/compliance-of-our-business-partners.

Internal control system, risk management system, compliance management system and internal audit in the Group
The Daimler Truck Group has an internal control system, a risk management system and a compliance management system that are commensurate with the size and global presence of the Company and the scope of its business activities and that is geared towards the continuous and systematic management of entrepreneurial risks and opportunities. The Board of Management ensures that these systems also cover sustainability-related objectives, unless required by law anyway, and that this includes processes and systems for the recording and processing of sustainability-related data.

The risk management system is one component of the Group-wide planning, controlling and reporting process. This is to ensure that the Company management recognizes significant risks that endanger the Company's continued existence and other significant risks to its success at an early stage and can initiate corrective actions in good time. The internal control system aims with regard to the accounting process to ensure the correctness and effectiveness of accounting and financial reporting. The internal control system and the risk management system have been and will continue to be successively developed with the definition of additional sustainability-related objectives, particularly with regard to the legal requirements in the area of sustainability (including the EU Taxonomy, Corporate

Sustainability Reporting Directive (CSRD)). A description of the main characteristics of the internal control system and the risk management system can be found in the Risk and Opportunity Report of the Combined Management Report.

Our compliance management system, which is rooted in our culture of compliance, is designed to support the adherence to laws and policies by the Group and by its employees, to prevent misconduct and to systematically minimize compliance risks. The main characteristics of the compliance management system are described in chapter Sustainability at Daimler Truck in the section Sustainability governance in the Combined Management Report.

The comment upon the appropriateness and effectiveness of the internal control system, the risk management system as well as the compliance management system can be found in the Risk and Opportunity Report of the Combined Management Report.

The internal audit department supports the organization in achieving its objectives by using a systematic and targeted approach to evaluate and help improve the appropriateness and effectiveness of the internal control system, the risk management system and the compliance management system as well as the management and monitoring processes. The independence of the internal audit function is assured by the fact that it is free from interference and biases in its planning and performance of its work, and has unhindered access to the necessary persons, resources and information. The internal audit itself shall be subject to an external quality audit at least every five years.

The Audit Committee of the Supervisory Board discusses with the Board of Management the appropriateness, effectiveness and functionality of the internal control system, the risk management system, the compliance management system and the internal audit system at least once a year. The Chairman of the Audit Committee reports to the Supervisory Board on the committee's work no later than the next meeting of the Supervisory Board. The Supervisory Board deals with the internal control system with respect to the accounting and the risk management system also on the occasion of the audit of the annual and consolidated financial statements. As described in more detail in the Rules of Procedure for the Board of Management and the Supervisory Board, between Supervisory Board meetings, the Chairman of the Supervisory Board has regular contact with the Board of Management, in particular with the Chairman of the Board of Management, to discuss not only the Group's strategy and business development but also issues relating to risk management and compliance. In addition, the Board of Management regularly informs the Audit Committee and the Supervisory Board of the most important risks facing the Company and the Daimler Truck Group.

Accounting and external audit
The consolidated financial statements and interim financial reports are prepared in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union. The annual financial statements are prepared in accordance with the accounting rules of the German Commercial Code (HGB). In addition to the half-yearly financial report, Daimler Truck also prepares quarterly financial reports. The consolidated financial statements and annual financial statements are audited by an external auditor; interim financial reports are reviewed by external auditors. The consolidated financial statements and Group management reports are made publicly accessible at www.daimlertruck.com/en/investors/reports/financial-reports within 90 days and the interim financial reports within 45 days of the end of the respective reporting period.

Based on the recommendation of the Audit Committee, the Supervisory Board submits a proposal to the Annual General Meeting in respect of the appointment of the external auditor of the annual financial statements and consolidated financial statements and the review of the interim financial reports of Daimler Truck Holding AG. At the Annual General Meeting on May 15, 2024, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, was appointed as auditor for the annual financial statements, the consolidated financial statements and as auditor for the review of interim financial reports for the 2024 financial year and of interim financial reports for the period up to the next Annual General Meeting in the 2025 financial year. KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, has been conducting the audit of the annual financial statements and of the consolidated financial statements of Daimler Truck Holding AG since the 2021 financial year. Marcus Rohrbach has been the responsible auditor since July 01, 2023.

Before submitting its recommendation for the election proposal to the General Meeting, the Audit Committee of the Supervisory Board obtained a declaration by the proposed auditor as to whether and, if so, which business, financial, personal or other relationships exist between the auditor and its boards, committees and audit managers on the one hand, and the Company and the members of its boards on the other hand, that could give rise to concerns of partiality. The declaration also covers any other services provided to the Daimler Truck Group in the previous financial year or contractually agreed for the following year, and the extent of such services.

The external auditor informs without undue delay the Chairman of the Audit Committee of all possible grounds for recusal and conflicts of interest arising during the audit or review and all significant findings and incidents material to the tasks of the Supervisory Board, which come to the attention of the external auditor during the audit. The auditor also informs the Audit Committee and notes in the audit report if, during the audit, they uncover facts that lead to an inaccuracy in the Declaration of Compliance with the GCGC of the Board of Management and Supervisory Board.

Composition and working method of the Board of Management

German law on stock corporations stipulates a dual management system – with a strict separation between the Board of Management acting as the management body and the Supervisory Board as the monitoring body. Accordingly, the Board of Management is responsible for managing the Company, while the Supervisory Board monitors and advises the Board of Management in this regard. In its management of the Company, the Board of Management is bound by the interests of the Company and committed to a sustainable increase in the value of the Company, taking into account the interests of shareholders, the workforce, and other stakeholders. The Board of Management and the Supervisory Board, in their management and supervisory activities, also consider the risks and opportunities associated with social and environmental factors for the Company, and the ecological and social impacts of the Company's activities, and take this into account in the Company's interests.

Board of Management
In accordance with the Articles of Incorporation of Daimler Truck Holding AG, the Board of Management has at least two members. The exact number of Board of Management members is determined by the Supervisory Board. As of December 31, 2024, the Board of Management consisted of eight members: Karin Rådström, Martin Daum, Karl Deppen, Dr. Andreas Gorbach, Jürgen Hartwig, John O'Leary, Achim Puchert and Eva Scherer.

In the reporting year the following changes occurred in the composition of the Board of Management (presented in chronological order):
Eva Scherer took over the area of responsibility Finance and Controlling as a new member of the Board of Management effective April 01, 2024. The appointment was made for three years until March 31, 2027. Effective December 01, 2024, the Supervisory Board reappointed Karl Deppen, responsible for Truck China and Regions Japan and India with the brands FUSO and BharatBenz for another five years after the end of his term, i.e., until November 30, 2029. The area of responsibility Daimler Truck Financial Services was integrated into the area of responsibility of the Chairman of the Board of Management; the appointment of Stephan Unger to the Board of Management ended on June 30, 2024. Martin Daum resigned as Chairman of the Board of Management in agreement with the Supervisory Board effective on September 30, 2024; Karin Rådström was appointed as the new Chairwoman of the Board of Management effective October 01, 2024. The Supervisory Board appointed Achim Puchert as a new member of the Board of Management, effective December 01, 2024 until November 30, 2027, responsible for the regions Europe and Latin America and the brand Mercedes-Benz Trucks. The Supervisory Board reappointed John O'Leary as member of the Board of Management, responsible for the region North America and the brands Freightliner, Western Star and Thomas Built Buses until December 31, 2026 at the latest. Martin Daum remained as full member of the Board of Management until December 31, 2024, responsible for the area of responsibility Financial Services, IT & Daimler Buses, which was dissolved and integrated into other areas of responsibilities effective January 01, 2025. In addition, the area of responsibilities of Karl Deppen, John O'Leary and Achim Puchert were renamed in connection with the merger of the businesses in China and India with Mercedes-Benz Trucks Europe and Latin America.

In the composition of the Board of Management, the quota requirement pursuant to Section 76 Subsection 3a of the German Stock Corporation Act (AktG) whereby at least one woman and one man must be a member of the Board of Management, was observed. The details of this are described in a separate section of this Declaration on Corporate Governance. In addition, with regard to the composition of the Board of Management, the Supervisory Board adopted a diversity concept embedded in an overall requirements profile, including a general age limit. Details are also presented in a separate section of this Declaration on Corporate Governance. Information on the members of the Board of Management and their areas of responsibility is also provided in chapter The Board of Management of the Annual Report. Information about the areas of responsibility and the curricula vitae of the Board of Management members is also available at www.daimlertruck.com/en/company/corporate-governance/board-of-management.

Notwithstanding the overall responsibility of the Board of Management, the individual members of the Board of Management are responsible for managing their areas of responsibility within the framework of the area of responsibilities set by the Supervisory Board and based on this the division of business defined by the Board of Management. Certain matters defined by the Board of Management as a whole are nevertheless be dealt with by the Board of Management as a whole and require its approval. The Chairman of the Board of Management coordinates the work of the Board of Management. There were no Board of Management committees during the reporting period.

The Board of Management is responsible in particular for the preparation of the annual financial statements, the consolidated financial statements and the combined management report of the Company and the Group including the herein integrated Group Sustainability Statement and is also responsible for the interim financial reports. Together with the Supervisory Board, the Board of Management issues the Declaration of Compliance with the GCGC each year. It ensures that the provisions of applicable law, official regulations and the internal policies at the Company are adhered to, and works to ensure that the companies of the Group adhere to such rules and regulations (compliance). The tasks of the Board of Management also include establishing an internal control system, a risk management system and a compliance management system which are appropriate and effective with regard to the extent of the business activities and the risk situation of the Company, the main characteristics of which are described in the Risk and Opportunity Report and in the chapter Sustainability at Daimler Truck in the section Sustainability governance in the Combined Management Report. This also includes the whistleblower system SpeakUp, which operates throughout the Group, giving employees and external whistleblowers worldwide the opportunity to report potential rule violations and misconduct in a protected manner.

The Board of Management and the Supervisory Board work closely together for the benefit of the Company. The Board of Management reports regularly, promptly and comprehensively to the Supervisory Board on the strategy of the Daimler Truck Group and its individual segments, which, in addition to the long-term economic objectives, also gives appropriate consideration to ecological and social objectives and coordinates the corporate strategy with the Supervisory Board. Furthermore, the Board of Management reports regularly to the Supervisory Board on corporate planning, which includes appropriate financial and sustainability-related objectives, profitability, business development, and the financial position of the Company, the internal control system, risk management system, as well as compliance matters. The Supervisory Board has defined the information and reporting duties of the Board of Management in greater detail. For certain types of transactions defined by the Supervisory Board, the Board of Management requires the prior approval of the Supervisory Board. The Board of Management, with the approval of the Supervisory Board, decides in particular on corporate planning.

The members of the Board of Management are committed to the Company's interests and are subject to a comprehensive non-competition clause during their tenure at the Company. This does not apply to other mandates within the Daimler Truck Group and mandates assumed at the instigation of Daimler Truck Holding AG at one of its associated companies. No member of the Board of Management may pursue personal interests in his or her decisions or exploit business opportunities to which the Company is entitled for his or her own benefit or for the benefit of third parties. Each member of the Board of Management is required to disclose conflicts of interest immediately to the Chairman of the Supervisory Board and the Chairman of the Board of Management and to inform the other members of the Board of Management accordingly. The members of the Board of Management may only accept secondary activities, in particular mandates outside the Daimler Truck Group, to a limited degree. Taking on such mandates requires the prior approval of the Presidential and Remuneration Committee of the Supervisory Board. The Supervisory Board is responsible for deciding on whether remuneration for secondary activities should be offset against remuneration from the Company.

The Board of Management has subjected itself to Rules of Procedure, which are also available at www.daimlertruck.com/en/company/corporate-governance/board-of-management. This website also contains information on the memberships of the members of the Board of Management to be disclosed pursuant to Section 285 No. 10 of the German Commercial Code (HGB).

Diversity
Diversity, Equity & Inclusion Management is part of the corporate strategy and provides the framework for a diverse and inclusive corporate culture. Details in this regard can be found in chapter Our people in the Combined Management Report.

The Board of Management also pays attention to diversity when filling management positions in the Company and strives to continuously increase the proportion of women in management positions (in compliance with local legal requirements and restrictions). In compliance with legal requirements in Germany, the Board of Management of Daimler Truck Holding AG, which has almost no employees, set a target in 2021 of 0% for the proportion of women at the two management levels below the Board of Management, including a deadline, and gave its reasons for doing so. The details of this are described in a separate section of this Declaration on Corporate Governance. The proportion of women in management positions at Daimler Truck was 20.5% at the end of the year 2024.

Composition and working method of the Supervisory Board and its committees

Supervisory Board
As of December 31, 2024, the Supervisory Board consisted of 20 members in accordance with the requirements of the German Co-Determination Act (Mitbestimmungsgesetz or MitbestG). The members of the Supervisory Board are elected half by the shareholders at the Annual General Meeting and half by the employees of the German operations of the group, whereby upon request, Shintaro Suzuki was appointed by court order of the District Court of Stuttgart on October 05, 2023 as an employee representative with effect as of October 16, 2023 following the resignation of Raymond Curry. Additionally, upon request, Barbara Resch was appointed by court order of the District Court of Stuttgart on December 16, 2024 as an employee representative to the Supervisory Board with effect as of January 01, 2025 following the resignation of Roman Zitzelsberger. The members representing the shareholders and the members representing the employees are equally required by law to act in the Company's interests.

In the context of the separation of the commercial vehicle business from the Mercedes-Benz Group in the 2021 financial year, Mercedes-Benz Group AG (formerly Daimler AG), Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH (formerly Daimler Verwaltungsgesellschaft für Grundbesitz mbH) and Daimler Truck Holding AG entered into a so-called deconsolidation agreement on August 06, 2021, as an annex to the spin-off and hive-down agreement, which took effect upon entry of the spin-off and hive-down in the commercial register of Mercedes-Benz Group AG as transferring legal entity on December 09, 2021. This is intended to ensure that a de-facto majority of Mercedes-Benz Group AG at the General Meeting of Daimler Truck Holding AG does not lead to a control relationship and a related full consolidation obligation of Daimler Truck Holding AG at Mercedes-Benz Group AG. To this end, the deconsolidation agreement provides, among other things, that Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH undertake not to exercise their voting rights in the election of two out of ten shareholder representatives to the Supervisory Board of Daimler Truck Holding AG at the General Meeting of Daimler Truck Holding AG. Furthermore, the agreement provides that Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH do not exercise their voting rights in the event of an early election or re-election of individual shareholder representatives or in the event of the election of substitute members, insofar as a resolution is adopted on the appointment or reappointment or replacement of a Supervisory Board member in whose original election they did not exercise their voting rights. This also applies to resolutions on the dismissal of Supervisory Board members, insofar as they did not exercise their voting rights in the election of the relevant Supervisory Board members on the basis of the deconsolidation agreement. With regard to the election of the eight shareholder representatives for which Mercedes-Benz Group AG and the Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH are entitled to exercise their voting rights under the deconsolidation agreement, the latter provides that Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH submit corresponding proposals to the Supervisory Board of the Company in goodtime prior to the adoption of the resolution on its election proposals. The deconsolidation agreement entered into force upon the spin-off taking effect and has an initial term until the end of the fifth Annual General Meeting of Daimler Truck Holding AG following the Annual General Meeting of Truck Holding AG in 2022, and it will be extended if it is not duly terminated by either party. Subject to any approvals under merger and investment control legislation, the agreement will come to an end in accordance with Section 158 Subsection 2 of the German Civil Code (Bürgerliches Gesetzbuch or BGB) (condition subsequent) if the (in)direct share ownership of Mercedes-Benz Group AG in Daimler Truck Holding AG falls below 20.00% of the shares.

In the reporting year 2024, the General Meeting, like in 2023, did not have to resolve on the election of shareholder representatives to the Supervisory Board, thus - unlike in 2022 - no nominations were submitted by Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH. In 2022, nominations for eight shareholder representatives were submitted which the Supervisory Board adopted and proposed to the General Meeting for election to the Supervisory Board alongside two further candidates.

The curricula vitae of the individual members of the Supervisory Board and information on their other memberships that must be disclosed in accordance with Section 285 No. 10 of the German Commercial Code (HGB) can be found at www.daimlertruck.com/en/company/corporate-governance/supervisory-board.

The Supervisory Board is composed so that its members as a whole are knowledgeable about the business sector in which the Company operates and also have the knowledge, skills and professional experience that are required for the proper performance of their tasks. Pursuant to Section 96 Subsection 2 of the German Stock Corporation Act (AktG), the Supervisory Board must comprise at least 30% women and at least 30% men. In addition, the Supervisory Board has drawn up an overall requirements profile for its own composition, which includes a competence profile and a diversity concept for the Supervisory Board as a whole, including a general age limit. In accordance with the recommendation of the GCGC, the Supervisory Board discloses the implementation status in the form of a qualification matrix. The details of this are described in a separate section of this Declaration on Corporate Governance. Proposals by the Supervisory Board for the election of shareholder representatives by the General Meeting, for which the Nomination Committee submits recommendations, seek to satisfy the overall requirements profile of the Supervisory Board as a whole.

The members of the Supervisory Board assume responsibility for the training and further education measures required for the performance of their tasks, such as on matters of corporate governance or changes to legal frameworks, new products and future technologies, as well as sustainability issues, and are supported by the Company in doing so. In the context of an onboarding program and in-house workshops, new members of the Supervisory Board also have the opportunity to engage with members of the Board of Management and, if required, with other executives on current topics relating to the relevant areas of responsibility of the Board of Management, business operations and the strategy of the Company, thus gaining an overview of the relevant issues affecting the Group. The Company asks the members of the Supervisory Board about their interest in training and further education topics and plans appropriate training measures. In 2024, this also increasingly included information events on sustainability issues. The Supervisory Board also dealt with technical, social and environmental topics in several learning sessions. This also included questions of sustainability in the value chain and in the financial sector. These training measures in particular involved an intensive exchange with internal and external experts.

The Supervisory Board monitors and advises the Board of Management in its management of the business. At regular intervals, the Board of Management reports to the Supervisory Board on the strategy of the Daimler Truck Group and its individual segments, the corporate planning, the revenue development, the profitability, the business development and the financial position of the Group, as well as the internal control system, risk management system and compliance matters. The Supervisory Board has retained the right of approval for transactions of fundamental importance. Furthermore, in the Rules of Procedure for the Board of Management and in the Rules of Procedure for the Supervisory Board, the Supervisory Board has specified the information and reporting duties of the Board of Management vis-à-vis the Supervisory Board, the Audit Committee and – between the meetings of the Supervisory Board – vis-à-vis the Chairman of the Supervisory Board.

The Supervisory Board monitors and advises the Board of Management in its management of the business in particular also with regard to sustainability issues. To this end, it regularly deals with sustainability aspects of the corporate strategy which, in addition to the long-term economic objectives, also takes appropriate account of environmental and social objectives, corporate planning which includes appropriate financial and sustainability-related objectives, the remuneration of the Board of Management and sustainability reporting.

The duties of the Supervisory Board include appointing and, if necessary, dismissing members of the Board of Management. Initial appointments of members of the Board of Management shall apply for a maximum of three years. Reappointment prior to the end of one year before the end of the appointment period with simultaneous cancellation of the current appointment should only take place in the event of special circumstances. The Supervisory Board observes the legal requirements for the equal participation of women and men in the composition of the Board of Management, according to which companies subject to Section 76 Subsection 3a of the German Stock Corporation Act (AktG) must have at least one woman and one man on the Board of Management. In addition, the Supervisory Board has adopted a diversity concept embedded in an overall requirements profile with regard to the composition of the Board of Management. Details are summarized in a separate section of this Declaration on Corporate Governance.

The Supervisory Board also determines the system of remuneration of the Board of Management, reviews it regularly, and on this basis determines the total individual remuneration of the individual members of the Board of Management. On June 21, 2023, by a majority of 96.62% of votes cast the General Meeting last approved the remuneration system for the members of the Board of Management. Information on this is available at www.daimlertruck.com/en/company/corporate-governance/board-of-management/remuneration-of-the-board-of-management.

On June 22, 2022, the General Meeting approved the Supervisory Board's remuneration system by a majority of 99.84% of votes cast. Information on this is available at www.daimlertruck.com/en/company/corporate-governance/supervisory-board/remuneration-of-the-supervisory-board. The 2024 Remuneration Report which will be submitted to the 2025 Annual General Meeting for approval, together with the auditor's note in accordance with Section 162 of the German Stock Corporation Act (AktG), will be made publicly available also on the two aforementioned websites.

Furthermore, the Supervisory Board reviews the annual financial statements, the consolidated financial statements and the combined management report of the Company and the Group including the herein integrated Group Sustainability Statement, as well as the proposal concerning the appropriation of distributable profits. Following discussions with the external auditors and taking into consideration the audit reports of the external auditors and the results of the review by the Audit Committee, the Supervisory Board states whether, after the final results of its own review, any objections are to be raised. If this is not the case, the Supervisory Board approves the financial statements and the combined management report; the financial statements are deemed to have been adopted with the approval of the Supervisory Board. The Supervisory Board reports to the General Meeting on the results of its own review and on the manner and scope of its supervision of the Board of Management during the previous financial year. The Report of the Supervisory Board on the 2024 Financial Year is available in this Annual Report and at www.daimlertruck.com/en/company/corporate-governance/supervisory-board.

The Supervisory Board has adopted Rules of Procedure that regulate not only its duties and responsibilities, but above all the convening and preparation of its meetings and the procedures for passing resolutions. These Rules of Procedure also contain provisions on how to avoid conflicts of interest. Every member of the Supervisory Board must disclose conflicts of interest without delay to the Chairman of the Supervisory Board. To the extent that conflicts of interest arise, information on these conflicts and on how they are dealt with is provided in the Report of the Supervisory Board on the 2024 Financial Year. The Rules of Procedure of the Supervisory Board are available at www.daimlertruck.com/en/company/corporate-governance/supervisory-board.

Separate meetings of shareholder representatives and of employee representatives are held regularly in preparation for the Supervisory Board meetings. Moreover, executive sessions are scheduled on a regular basis to enable individual topics to be discussed also in the absence of the Board of Management. Furthermore, the Board of Management shall not participate in the meetings of the Supervisory Board and the Audit Committee if the auditor is called upon to attend meetings as an expert, unless the Supervisory Board or the Audit Committee deems the participation of the Board of Management necessary.

The Supervisory Board regularly assesses, either internally or with the assistance of external advisors, how effectively the Supervisory Board as a whole and its committees perform their duties (self-assessment). In order to be able to evaluate a sufficiently long time period, the first self-assessment was carried out in the 2023 financial year - given that the co-determined Supervisory Board of Daimler Truck Holding AG was constituted and commenced its work only in June 2022. The self-assessment was carried out with the support of an external advisor and addressed the work of the Supervisory Board as a whole, the Audit Committee and the Presidential and Remuneration Committee. The next self-assessment is currently planned for the 2025 financial year.

As of December 31, 2024, in addition to the Mediation Committee whose establishment is required by law, there were three other committees of the Supervisory Board. These committees perform the tasks assigned to them on behalf of and in the name of the full Supervisory Board, where permitted by law. The respective committee chairpersons report to the full Supervisory Board on the committees' work at the latest at the next Supervisory Board meeting following each committee meeting. The Supervisory Board has adopted Rules of Procedure for each of its committees. These can be found in the Rules of Procedure for the Supervisory Board and its committees at www.daimlertruck.com/en/company/corporate-governance/supervisory-board.

The Report of the Supervisory Board on the 2024 Financial Year also states how many meetings of the Supervisory Board and of the committees were held in person or as video or telephone conferences, and how many meetings of the Supervisory Board and the committees the individual members attended in each case.

Committees of the Supervisory Board

An overview of the composition of the committees as of December 31, 2024 can be found in the Report of the Supervisory Board on the 2024 Financial Year. The affiliation to the committees can also be found in the respective curricula vitaes under www.daimlertruck.com/en/company/corporate-governance/supervisory-board.

Presidential and Remuneration Committee
The Presidential and Remuneration Committee prepares recommendations for the Supervisory Board in respect of the appointment of new or existing members of the Board of Management, taking into account the overall requirements profile with the diversity concept, including the requirements on the quota of women on the Board of Management which has been defined by the Supervisory Board. The Presidential and Remuneration Committee also submits proposals to the Supervisory Board on the concept of the remuneration system for the Board of Management and the appropriate level for the total individual remuneration of its members. It is responsible for the Board of Management members' contractual affairs. It decides on granting approval for secondary activities of the members of the Board of Management, and once a year submits to the Supervisory Board for a complete list of the secondary activities of each member of the Board of Management for its consideration. In addition, the Presidential and Remuneration Committee consults and takes decisions on matters of corporate governance, on which it also makes recommendations to the Supervisory Board. It supports and advises the Chairman of the Supervisory Board and his Deputy and prepares the meetings of the Supervisory Board within the limits of its responsibilities.

As of December 31, 2024, the members of the Presidential and Remuneration Committee were Chairman of the Supervisory Board Joe Kaeser (also Chairman of the Presidential and Remuneration Committee, which in the view of shareholder representatives, is independent within the meaning of the GCGC), Deputy Chairman of the Supervisory Board Michael Brecht and two other members elected by the Supervisory Board. In the reporting period, these were Marie Wieck and Roman Zitzelsberger. After the resignation of Roman Zitzelsberger from the Supervisory Board effective December 31, 2024, the Supervisory Board elected Barbara Resch as member of the Presidential and Remuneration Committee effective January 01, 2025.

Nomination Committee
The Nomination Committee is tasked with making recommendations to the Supervisory Board for proposals to the General Meeting on the election of shareholder representatives to the Supervisory Board, on which the Supervisory Board then passes a final resolution. In doing so, the Nomination Committee considers and seeks to satisfy the overall requirements profile adopted by the Supervisory Board for the entire board. Furthermore, it also takes into account, without being bound by them, the election proposals that Mercedes-Benz Group AG and Mercedes-Benz Verwaltungsgesellschaft für Grundbesitz mbH submit to the Supervisory Board on the basis of the deconsolidation agreement concluded with the Company.

The duties of the Nomination Committee also include regularly reviewing which mandates expire at which time and whether the respective mandate holders are eligible and willing to serve for a further term of office, taking into account the criteria described above. In its search for new members, the Nomination Committee can also avail itself of independent external human resources consulting services.

The Nomination Committee comprises the Chairman of the Supervisory Board and two other members, who are elected by the shareholder representatives by majority of votes cast. As of December 31, 2024, the members of the Nomination Committee were: Joe Kaeser (Chairman of the Nomination Committee), Renata Jungo Brüngger and Marie Wieck. In total, two of the three members are independent within the meaning of the GCGC. The Nomination Committee is the only committee of the Supervisory Board which – in accordance with the recommendation of the GCGC – is composed exclusively of shareholder representatives.

Audit Committee
The Audit Committee is composed of six members, who are elected by a majority of the votes cast by the members of the Supervisory Board. As of December 31, 2024, these were shareholder representatives Michael Brosnan (Chairman of the Audit Committee), Akihiro Eto, Harald Wilhelm and employee representatives Michael Brecht (Vice Chairman of the Audit Committee), Jörg Köhlinger and Thomas Zwick.

The members of the Audit Committee are composed so that its members as a whole are knowledgeable about the business sector in which the Company operates. The Chairman of the Audit Committee, Michael Brosnan, has worked for many years in auditing and occupied senior positions in the finance function of various companies. He therefore has specialist knowledge and experience in the auditing of financial statements as well as in the application of accounting principles and internal control and risk management systems. Expertise also includes sustainability reporting or its audit and assurance. In the opinion of the shareholder representatives, he is independent within the meaning of the GCGC. Irrespective of the expertise based on many years of practical experience, for example in similar committees, that the majority of Audit Committee members can demonstrate, in addition to Michael Brosnan, Harald Wilhelm, currently Chief Financial Officer of Mercedes-Benz Group AG, has in particular special knowledge and experience in the application of accounting principles and internal control and risk management systems, including sustainability reporting.

The Audit Committee is responsible for monitoring the accounting and the accounting process as well as the sustainability reporting, and for the audit of the financial statements. It discusses with the Board of Management the appropriateness, effectiveness and functionality of the internal control system and the risk management system, the compliance management system and the internal audit system at least once a year. Each member of the Audit Committee may obtain via the committee chairperson information directly from the heads of the central divisions of the Company who are responsible within the Company for the tasks that the Audit Committee performs in accordance with its Rules of Procedure. The chairman of the committee must communicate the information it receives to all members of the Audit Committee. If such information is obtained, the Board of Management must be informed without undue delay.

The Audit Committee regularly receives reports on the work of the internal audit department and the Compliance organization as well as on pending litigation. At least once every quarter, the Audit Committee receives a report from the whistleblower system SpeakUp on any suspected breaches of regulations - based on a catalog of breaches of regulations - and is informed regularly about how these suspected breaches are processed.

Based on the auditor’s report, the Audit Committee examines the annual financial statements and the consolidated financial statements as well as the combined management reports of the Company and the Group, and discusses these with the auditor, whereby the Group Sustainability Statement is subject to a separate audit with limited assurance by the auditor. The Audit Committee makes recommendations to the Supervisory Board on the adoption of the annual financial statements of Daimler Truck Holding AG, on the approval of the consolidated financial statements, and on the appropriation of distributable profit. The responsibilities of the Audit Committee also include discussions on the interim financial reports with the Board of Management prior to their publication. The Audit Committee discusses the audit risk assessment, the audit strategy and audit planning as well as the audit results with the external auditor. In addition, the Chairman of the Audit Committee regularly discusses the progress of the audit with the external auditor, even outside of meetings, and reports its findings to the Committee. The Audit Committee regularly consults with the external auditor, in absence of the Board of Management.

The Audit Committee also deals with the quality of the audit of the financial statements and makes recommendations on the Supervisory Board’s proposal for the election of external auditors, assesses the auditors’ suitability, qualifications and independence and, following their appointment by the General Meeting, engages them to audit the consolidated financial statements and the annual financial statements and to review the interim financial reports. Hereby, it agrees on the fees and determines the audit focus areas. The external auditor reports to the Audit Committee on all accounting matters that might be regarded as critical and on any material accounting-related weaknesses of the internal control system with respect to the accounting process and the risk management system that might be identified during the audit.

The Audit Committee’s responsibilities also include the prior approval of permissible services provided by the auditors or their affiliated companies to Daimler Truck Holding AG or its Group companies that are not directly connected with the audit of the financial statements (non-audit services).

Transactions between the Company and related parties within the meaning of Sections 111a et seq. of the German Stock Corporation Act (AktG) require the prior consent of the Audit Committee, unless there are grounds for a reservation of consent by the entire Supervisory Board or one of its committees under the law or according to the Supervisory Board. The Audit Committee is also responsible for regularly evaluating the internal procedure pursuant to Section 111a Subsection 2 of the German Stock Corporation Act (AktG) for transactions made in the ordinary course of business and within arm’s length conditions.

Mediation Committee

By law, the Mediation Committee consists of the Chairman of the Supervisory Board Joe Kaeser, his Deputy Michael Brecht and two members elected respectively by employee representatives and shareholder representatives to the Supervisory Board by a majority of votes cast. As of December 31, 2024, these were Marie Wieck for the shareholder representatives and Roman Zitzelsberger for the employee representatives. After the resignation of Roman Zitzelsberger from the Supervisory Board effective December 31, 2024, the employee representatives elected Barbara Resch as member of the Mediation Committee effective January 01, 2025.

The Committee is formed solely to perform the function laid down in Section 31 Subsection 3 of the German Co-Determination Act (MitbestG). The Mediation Committee had no reason to be active in the 2024 financial year.

Participation of women and men in management positions

The composition of the Board of Management reflects the participation requirement of Section 76 Subsection 3a of the German Stock Corporation Act (AktG), introduced by the Act to Supplement and Amend the Regulations for the Equal Participation of Women and Men in Management Positions in the Private and Public Sectors (Second Management Positions Act or FüPoG II), according to which at least one woman and one man must be a member of the board of management of companies subject to this provision. As of December 31, 2024, the Board of Management had two women, Karin Rådström and Eva Scherer, among its eight members. The Board of Management thus consisted of 25% women and 75% men.

The Board of Management of a listed or co-determined company must in turn set targets for the proportion of women at the two management levels below the Board of Management. If the proportion of women is below 30% at the date when the Board of Management determines the targets, the targets may no longer fall below the proportion already achieved. At the same time as the targets are set, deadlines for their achievement must be determined, which may not exceed five years.

By resolution of December 10, 2021, the Board of Management of Daimler Truck Holding AG has set a target proportion of women of 0% for the first and second management levels below the Board of Management and a deadline of December 31, 2025. The Board of Management was of the opinion that it was not reasonable to set a target for the proportion of women because the structure of the particular company needs to be taken into account when determining this target figure. Daimler Truck Holding AG is structured as a pure management holding company with the Board of Management and which provides management services in the Group. Below the level of the Board of Management, the Company – apart from a few employees with dual employment contracts – has no employees of its own. In the reporting period, Daimler Truck Holding AG had a total of less than five employees below the Board of Management, all of whom had a dual employment contract with Daimler Truck AG. According to current planning, no personnel increase is envisaged for Daimler Truck Holding AG. The Second Management Positions Act (FüPoG II) assumes a larger number of employees and therefore also a larger number of management positions to be filled. For this reason, setting the target figure of 0% appears justified as an exception. Furthermore, setting the target of 0% does not constitute a violation of the deterioration requirement.

Since the listed Daimler Truck Holding AG is based on the provisions of the German Co-Determination Act (MitbestG), the Supervisory Board must comprise of at least 30% women and 30% men in accordance with Section 96 Subsection 2 of the German Stock Corporation Act (AktG). The quota is to be fulfilled by the Supervisory Board as a whole. If shareholder representatives or employee representatives object to the overall fulfillment to the Chairman of the Supervisory Board prior to the election, the minimum proportion for this election must be met separately by the shareholder representatives and the employee representatives. Since there was no objection to the overall fulfillment, the gender quota, in its entirety, had to be observed in the elections of the shareholder representatives and in the elections of the employee representatives of the Supervisory Board in 2022.

As of December 31, 2024, three women were represented on the shareholder side on the Supervisory Board with Renata Jungo Brüngger, Laura Ipsen and Marie Wieck and with Carmen Klitzsch-Müller, Andrea Reith and Andrea Seidel on the employee side. The Supervisory Board was therefore made up of 30% women and 70% men. The statutory gender quota of Section 96 Subsection 2 of the German Stock Corporation Act (AktG) was therefore met. Due to the court appointment of Barbara Resch effective January 01, 2025 as successor of Roman Zitzelsberger, the Supervisory Board is made up of seven women (35%) and 13 men (65%).

In addition to Daimler Truck Holding AG itself, other companies of the Group such as Daimler Truck AG are subject to co-determination. These have set their own target figures for the proportion of women on their respective supervisory boards, boards of management, and at the two management levels below the below the Board of Management, as well as a deadline for achieving these targets, and have published them in accordance with legal requirements. The declaration for the Daimler Truck AG can be found under www.daimlertruck.com/en/sustainability/s-social/equal-participation.

Overall requirements profiles for the composition of the Board of Management and the Supervisory Board

The composition of the Board of Management and Supervisory Board is based on diversity concepts with regard to aspects such as educational and professional background, gender and age. The Supervisory Board has combined these diversity concepts with consideration of legal requirements and other demands on the expertise of the members of these boards, in the overall requirements profiles for the composition of the Board of Management and Supervisory Board described below. The overall requirements profiles are reviewed each year and also serve as the basis for long-term succession planning.

Board of Management
The aim of the overall requirements profile for the Board of Management is to ensure that the composition of a board of management is as diverse and complementary as possible. The Board of Management as a whole should possess the knowledge, skills and experience required for the proper execution of its tasks and be composed of members whose varied personal backgrounds and experience ensure that the Board of Management as a whole also embodies the desired management philosophy. The decisive factor in staffing of a specific Board of Management position is always governed by the Company’s interests in consideration of all circumstances in each individual case.

The requirements profile for the Board of Management, which was last substantively amended in November 2022 and editorially amended in December 2024 and was applicable in the entire reporting period as well as the implementation status, as determined by the Supervisory Board in December 2024, are described below. The implementation status is also presented at the end of this section in the form of a qualification matrix. ↗ B.89

- **Educational and professional backgrounds:** The members of the Board of Management shall have different educational and professional backgrounds, whereby at least two members should have a technical background. As of December 31, 2024, the Board of Management comprised two degreed engineers: Dr. Andreas Gorbach and Karin Rådström.

  In addition, at least three members of the Board of Management should also have **expertise on sustainability issues relevant to the Company** from the areas of Environment, Social and Governance (sustainability areas), whereby each sustainability area should be covered by at least one member of the Board of Management. Expertise is the special knowledge and experience acquired in the course of vocational education or training or in-depth knowledge and experience gained through further professional or other activities. Expertise in a sustainability area within the meaning of the requirements profile is met if the relevant person has knowledge or experience in at least two of the following focus topics within each sustainability area:

  1. Environment:
  - Climate protection
  - Resource efficiency and circular economy
  - Environmental protection.

  2. Social:
  - Traffic safety
  - Creating the conditions to be a good employer (in particular with regard to diversity, equal opportunities & inclusion, health, wellbeing & occupational safety, continuing education)
  - Social responsibility (in particular respect for human rights in the Company and the supply chain).

  3. Governance:
  - Responsible governance
  - Compliance & ESG-risk management
  - Transparent reporting.

  The Board of Management meets regularly, at least twice a year, as the Corporate Sustainability Board to discuss sustainability issues relevant to the Company. Members of the Board of Management also direct their attention to the focus topics of the sustainability areas outside of the meetings, in particular where such topics relate to their particular area of responsibility. All eight members of the Board of Management have special expertise in sustainability issues relevant to the Company. As of December 31, 2024 the sustainability areas were covered as follows: With Karin Rådström, Martin Daum, Karl Deppen, Dr. Andreas Gorbach, John O'Leary, Achim Puchert and Eva Scherer seven members of the Board of Management have expertise in the **Environment** sustainability area. With Jürgen Hartwig one member of the Board of Management has expertise in the **Social** sustainability area. All members of the Board of Management have special expertise in the **Governance** sustainability area.

- **Gender Quota:** According to Section 76 Subsection 3a of the German Stock Corporation Act (AktG), in companies subject to this regulation at least one woman and one man must be a member of the Board of Management. As of December 31, 2024, the Board of Management had two women, Karin Rådström and Eva Scherer, and six men among its eight members.

- **General Age Limit:** For the last possible age-related appointment or reappointment of a member of the Board of Management, the age of 62 relative to the starting date of the (new) term of office is used as benchmark, which should not yet have been reached at the time of the beginning of a (new) term of office. When it set this age limit, the Supervisory Board deliberately decided in favor of a flexible benchmark allowing the required leeway for an appropriate decision in individual cases. As of December 31, 2024, six of the eight members of the Board of Management were younger than the general age limit. Martin Daum was also younger than the general age limit at the beginning of his current term of office. John O'Leary, due to his outstanding experience and knowledge of the company, was reappointed to the Board of Management, despite exceeding the general age limit.

- **Generation Mix:** In addition, an appropriate generation mix among the members of the Board of Management is to be ensured, whereby, at least three members of the Board of Management should be 57 years or younger at the beginning of the relevant term of office. As of December 31, 2024 five of the eight members of the Board of Management in office were 57 years old or younger at the beginning of their current term of office.

- **Internationality:** Decisions related to the composition of the Board of Management should also take into account internationality in the sense of different cultural backgrounds or international experience gained through multi-year assignments abroad, whereby, at least one member of the Board of Management shall be of international origin. Irrespective of the many years of international experience a majority of members of the Board of Management have gained, this target was already met as of December 31, 2024 due to the international background of John O'Leary and Karin Rådström.

- **Maximum Number of Mandates:** Generally, and subject to the disclosure of an exception in the Declaration of Compliance with the GCGC pursuant to Section 161 of the German Stock Corporation Act (AktG), members of the Board of Management of listed companies do not hold more than two supervisory board mandates in listed companies or comparable functions, nor do hold the chair of the supervisory board in a non-group listed company. For the purposes of calculating the maximum number of mandates in accordance with the overall requirements profile, supervisory board memberships mandates in joint ventures that fall within the areas of responsibility of a member of the Board of Management are not considered as comparable functions. With regard to Karin Rådström, her mandate at Beijing Foton Daimler Automotive Co., Ltd. is a mandate in a joint venture that falls in her area of responsibility and which therefore does not count as a comparable function for the purposes of calculating the maximum number of mandates according to the overall requirements profile. The same applies to her mandate at Cellcentric GmbH & Co. KG as of January 01, 2025 and to John O'Leary's mandate at Greenlane Infrastructure, LLC. The requirements for the maximum number of mandates in accordance with the overall requirements profile were fulfilled as of December 31, 2024. Notwithstanding this, in the Declaration of Compliance a deviation to Recommendation C.5 GCGC was specified and explained.

The aspects described above are to be taken into consideration when staffing a specific Board of Management position. On the basis of a target profile that takes specific qualification requirements and the aforementioned criteria into account, the Presidential and Remuneration Committee prepares a shortlist of available candidates with whom it conducts interviews. It then submits a recommendation to the Supervisory Board for its approval and gives the reasoning behind this recommendation. Decisions regarding appointments to the Board of Management are always governed by the Company's interests in consideration of all circumstances in each individual case. In the Supervisory Board's view, fundamental personal criteria that make a person suitable for a Board of Management position include, in particular, the individual's personality, integrity, convincing leadership qualities, expertise for the segment he or she will head, previous achievements, knowledge of the Company, and the ability to adapt business models and processes in a changing world.

Together with the Board of Management, the Supervisory Board also ensures a long-term succession planning for the Board of Management, for which it takes the overall requirements profile and the individual circumstances into account. In this process, it is to discuss the duration of the contracts of current Board of Management members, the possibility of extending them, and potential successors. The duties of the Presidential and Remuneration Committee of the Supervisory Board also include holding discussions about the Group's talented and exceptional executives at regular intervals. Executives at the management level below the Board of Management and persons of especially high potential are to be evaluated on the basis of an analysis of potential and the criteria of the overall requirements profile, and the next development steps are then to be discussed and defined together with the Board of Management. The succession planning process also includes a regular report from the Board of Management regarding the proportion and development of female executives. The Board of Management has the task of recommending a sufficient number of suitable candidates to the Supervisory Board. The Supervisory Board aims to primarily fill Board of Management positions with executives that have risen within the Group. Nonetheless, potential external candidates may also be evaluated and included in the selection process, if necessary with the support of external human resources consulting services.

B.89

Qualification matrix reflects implementation status of the overall requirements profile – Board of Management

Version 12/2024		Karin Rådström	Martin Daum	Karl Deppen	Dr. Andreas Gorbach	Jürgen Hartwig	John O'Leary	Achim Puchert	Eva Scherer
Area of Responsbility[1]		Chairwoman of the Board of Management	Financial Services, IT & Daimler Buses[4]	Trucks China and the regions Japan and India and the brands FUSO and BharatBenz[5]	Truck Technology	Human Resources	Region North America and the brands Freightliner, Western Star and Thomas Built Buses[6]	Regions Europe and Latin America and the brand Mercedes-Benz Trucks[7]	Finance and Controlling[8]
Personal Data	Joined Board in	2021	2021	2021	2021	2021	2021	2024	2024
	Appointed until	2029	2024	2029	2029	2026	2026	2027	2027
	Gender	female	male	male	male	male	male	male	female
	Year of Birth	1979	1959	1966	1975	1967	1960	1979	1983
	Nationality[1]	Swedish	German	German	German	German	US-American	German	German
	Educational/ professional background[1]	Engineering	Business Administration	Economics and Business Administration	Engineering	Business Education	Business Administration	International Management, Business Administration	International Management, Business Administration
	International Experience[1]	Sweden, Switzerland, Canada, France, Kenya	North America	Asia, India, Latin America	North America	China	North America	Latin America, Asia, Russia, Denmark, Sweden	Singapore, Switzerland, UK, Asia-Pacific/ Middle East
Diversity	Gender	✓	✓	✓	✓	✓	✓	✓	✓
	Generation Mix	✓			✓	✓		✓	✓
	Internationality	✓					✓		
Personal Suitability	General Age Limit	✓		✓	✓	✓		✓	✓
	No Overboarding[3]	✓[9]	✓	✓	✓	✓	✓[9]	✓	✓
Sustainability Expertise[2] according to GCGC	Environment	✓	✓	✓	✓		✓	✓	✓
	Social					✓			
	Governance	✓	✓	✓	✓	✓	✓	✓	✓

1 These contents are part of the Group Sustainability Report, see chapter Sustainability at Daimler Truck (ESRS data point GOV-1 21c), and have been subject to a limited assurance engagement.
2 This content is part of the Group Sustainability Report, see chapter Sustainability at Daimler Truck (ESRS data point GOV-1 23a), and has been subject to a limited assurance engagement.
3 Group mandates only counted once according to requirements profile.
4 Martin Daum resigned as Chairman of the Board of Management in agreement with the Supervisory Board on September 30, 2024, and remained full member of the Board of Management until December 31, 2024. Effective January 01, 2025, the area of responsibility Financial Services, IT & Daimler Buses was dissolved and integrated into other areas of responsibilities.
5 Area of responsibility renamed since the beginning of 2025: FUSO and RIZON.
6 Area of responsibility renamed since the beginning of 2025: Daimler Truck North America.
7 Area of responsibility renamed since the beginning of 2025: Mercedes-Benz Trucks and BharatBenz.
8 Area of responsibility renamed since the beginning of 2025: Chief Financial Officer.
9 Fulfillment of requirements profile; however, Overboarding in accordance with GCGC.

Supervisory Board
The Supervisory Board is to be composed so that its members as a whole are knowledgeable about the business sector in which the Company operates. The aim of the overall requirements profile for the Supervisory Board as a whole is also to ensure that the composition of the Supervisory Board is as diverse and mutually complementary as possible. The Supervisory Board as a whole must understand the Company's business model and also possess the knowledge, skills and experience needed to properly execute its task of supervising and advising the Board of Management. Overall, the members of the Supervisory Board should complement each other in terms of their expertise and professional experience in such a way that the entire Supervisory Board can draw on the broadest possible range of experience and different specialist knowledge. The Supervisory Board also views the diversity of its members in terms of age, gender, internationality and other personal attributes as an important prerequisite for effective collaboration. Resolutions of the Supervisory Board regarding proposals for candidates for election to the General Meeting is always governed by the Company's interests in consideration of all circumstances in each individual case.

The Supervisory Board fulfilled the overall requirements profile last substantively amended in December 2023 and editorially amended in December 2024 in its composition. This applies both in its composition until December 31, 2024 as well as taking into account the resignation of Roman Zitzelsberger and the judicial appointment of Barbara Resch, effective January 01, 2025. The status of implementation determined by the Supervisory Board in December 2024 for the composition until December 31, 2024 are described below. The implementation status is also presented at the end of this Declaration on Corporate Governance in the form of a qualification matrix. ↗ B.90 ↗ B.91

- **Diversity**
  - **Gender Quota:** By law, at least 30% of the members of the Supervisory Board must be women and at least 30% must be men. As of December 31, 2024 three women were represented on both the shareholder and employee representative sides. Thus, women were represented respectively at 30% both for the Supervisory Board in its entirety and on each side. Therefore, the gender ratio on the Supervisory Board complies with the legal requirements.
  - **General Age Limit:** Members who are proposed for election to the Supervisory Board for a full term of office should generally not be older than 72 years of age at the time of being elected. In specifying this general age limit, the Supervisory Board has intentionally refrained from stipulating a strict upper age limit and instead decided in favor of a flexible age limit that provides the necessary leeway for an appropriate assessment of the circumstances in individual cases, keeps the group of potential Supervisory Board candidates sufficiently broad and allows for reelection. No member of the Supervisory Board in office on December 31, 2024 was older than the general age limit at the time of their election.
  - **Generation Mix:** An appropriate generation mix among the members of the Supervisory Board is to be ensured. At least eight members of the Supervisory Board should be no more than 62 years old at the date of their election or reelection. Of the Supervisory Board members in office as of December 31, 2024, 17 members were aged 62 or younger at the time of their election or judicial appointment for the current term of office.
  - **Internationality:** In order to ensure appropriate internationality, for example, through many years of international experience, the Supervisory Board has set a target of at least 30% of international shareholder representatives and a resulting quota of 15% relative to the full Supervisory Board. Notwithstanding the many years of international experience of a large majority of the shareholder representatives, this target was already significantly exceeded by December 31, 2024 due to the international background of Michael Brosnan, Akihiro Eto, Jacques Esculier, Renata Jungo Brüngger, John Krafcik, Laura Ipsen, Martin H. Richenhagen and Marie Wieck on the shareholder side, with 80%, and with Andrea Seidel and Shintaro Suzuki on the employee side, resulting in 50% for the Supervisory Board as a whole.
- **Personal Suitability**
  - **Independence:** According to the recommendations of the GCGC on the independence of the members of the Supervisory Board, the Supervisory Board is to include what it considers to be an appropriate number of independent members on the shareholder side – also considering the shareholder structure. A member is to be considered independent in this sense if they are independent of the Company and its Board of Management, and of any controlling shareholder. There is no controlling shareholder in this sense at the Company; against the background of the deconsolidation agreement concluded with Mercedes-Benz Group AG, in particular Mercedes-Benz Group AG is not to be regarded as a controlling shareholder.

The GCGC recommends that more than half of the shareholder representatives are to be independent of the Company and its Board of Management – and that these members must always include the Chairman of the Supervisory Board, the Chairman of the Audit Committee and the Chairman of the committee that deals with the remuneration of the Board of Management. Within the meaning of this recommendation, a Supervisory Board member is to be considered independent, if they have no personal or business relationship with the Company or its Board of Management that may cause a substantial and not merely temporary conflict of interest.

It is up to the shareholder representatives of the Supervisory Board to assess the independence of its members. Four indicators of a possible lack of independence are to be considered (membership of the Board of Management within a period of two years prior to the appointment as member of the Supervisory Board; a material business relationship with the Company or an entity dependent on it, e.g., as a customer, supplier, creditor or advisor; a close family relationship with a member of the Board of Management; membership of the Supervisory Board for more than twelve years – all criteria apply both to Supervisory Board members themselves and to their close family members). The shareholder representative side is expressly granted the right to consider a Supervisory Board member independent if one or even multiple indicators are met, although this assessment is to be explained in the Declaration on Corporate Governance.

The Supervisory Board has concluded that – with the exception of Renata Jungo Brüngger and Harald Wilhelm – all shareholder representatives in office as of December 31, 2024 are independent of Daimler Truck Holding AG and its Board of Management, including, in particular, the Chairman of the Supervisory Board, who is also Chairman of the Presidential and Remuneration Committee, and the Chairman of the Audit Committee.

Other than the two exceptions mentioned, when taking into account the indicators of the GCGC, none of the shareholder representatives has a personal or commercial relationship with Daimler Truck Holding AG or its Board of Management that could give rise to a material conflict of interest that is not merely temporary in nature. With regard to Renata Jungo Brüngger and Harald Wilhelm, it should be noted that both, as serving members of the Board of Management of Mercedes-Benz Group AG (i.e., in a responsible function of a company outside the Group), maintain a significant business relationship with the Company or a company dependent on it due to the extensive contractual interrelationships that exist between the two groups also since the spin-off became effective in December 2021. Against this background, neither is currently considered to be independent of the Company within the meaning of Recommendation C.7 GCGC.

As a result – with the exception of Renata Jungo Brüngger and Harald Wilhelm – all shareholder representatives of the Supervisory Board (thus 80%) were deemed to be independent, namely Joe Kaeser, Michael Brosnan, Jacques Esculier, Akihiro Eto, Laura Ipsen, John Krafcik, Martin H. Richenhagen and Marie Wieck. An assessment of the independence of the employee representatives of the Supervisory Board was not conducted, as only the independence of the shareholder representatives is to be assessed in accordance with the recommendations of the GCGC.

- **Time Effort:** Each candidate for membership of the Supervisory Board and each member of the Supervisory Board must be able to devote the expected amount of time required and be willing and able to commit to engage with the content and participate in the necessary training and continuing education. Prior to each nomination, the Supervisory Board ensures that the candidates in question can devote the time required for the office.

- **General maximum Number of Mandates:** As a general rule and subject to the disclosure of an exception in the Declaration of Compliance with the GCGC pursuant to Section 161 of the German Stock Corporation Act (AktG), a Supervisory Board member who is also a member of the board of management of a listed company does not hold more than two supervisory board mandates in non-group listed companies or comparable functions (including their membership of the Supervisory Board of Daimler Truck Holding AG) and does not chair a supervisory board of non-group listed companies. As a general rule and subject to the disclosure of an exception in the Declaration of Compliance with the GCGC pursuant to Section 161 of the German Stock Corporation Act (AktG), Supervisory Board members who are not also members of the board of management of a listed company do not accept more than five supervisory board mandates of non-group listed companies or perform comparable functions (again including their Supervisory Board mandate of Daimler Truck Holding AG), with the chair of one supervisory board being counted twice. Dual mandates of Supervisory Board members in other supervisory bodies of the same group are to be disregarded for the purposes of the calculation of the maximum number of mandates in accordance with the overall requirements profile. As a result, Renata Jungo Brüngger, Joe Kaeser, Jörg Köhlinger, Harald Wilhelm and Roman Zitzelsberger therefore do not exceed the maximum number of mandates set out in the overall requirements profile. With regard to Recommendations C.4 and C.5 GCGC, a deviation is explained and justified in the Declaration of Compliance with the GCGC.

- **General Limit for the Duration of Membership:** The overall requirements profile also includes a general limit for the duration of membership, according to which, as a general rule, only candidates who have been members of the Supervisory Board for no more than twelve years should be proposed for reelection to the Supervisory Board for a full term of office. The requirement is met for all current members of the Supervisory Board.

- **Knowledge and experience**
  - **Supervisory Board-related knowledge and experience:** The Supervisory Board shall, as a whole, possess knowledge and experience in areas of particular relevance to the Company. At least three members of the Supervisory Board should have knowledge and experience in each of the following areas:

    - Industry/Technology
    - IT/Digitalization
    - Human Resources/Organization
    - Strategy/Transformation
    - Finance/Capital Market.

    In order to demonstrate knowledge and experience in the five areas mentioned above it is not necessary that the criteria for both topics from the individual areas are fulfilled; the proof of knowledge and experience with regard to one topic of an area is sufficient.

    The composition should also take into account that there could be a requirement to acquire new competencies in the course of product, market and other developments.

    As can be seen in detail from the qualification matrix, the Supervisory Board as a whole in its current composition meets the defined requirements for Supervisory Board-related knowledge and experience. At least three members of the Supervisory Board have relevant knowledge or experience in each of the listed areas. In the interest of a clear presentation, the following details given in respect of the members of the Supervisory Board who are mentioned by name should therefore be viewed as examples and are not necessarily exhaustive. ↗ B.90 ↗ B.91

Industry/Technology
In the area of **Industry**, Jacques Esculier, Joe Kaeser, John Krafcik, Martin H. Richenhagen and Andrea Seidel have proven knowledge and experience due to their extensive professional experience in industrial companies active in metal processing or in the automotive sector. In addition, the knowledge and extensive experience of the Works Council Chairmen and Chairwomen Michael Brecht, Bruno Buschbacher, Carmen Klitzsch-Müller, Jörg Lorz, Andrea Reith, Shintaro Suzuki (President of the Mitsubishi Worker's Union) and Thomas Zwick should be emphasized.

Jacques Esculier, Laura Ipsen, John Krafcik, Andrea Seidel, Shintaro Suzuki and Marie Wieck have a technical university degree. In addition, Michael Brecht, Bruno Buschbacher, Jörg Köhlinger, Jörg Lorz, Andrea Reith, Roman Zitzelsberger and Thomas Zwick have an appropriate professional training in the area of **Technology**.

IT/Digitalization
In the area of **IT/Digitalization** which in individual cases can also include the topics of cybersecurity and artificial intelligence, the knowledge and experience of Laura Ipsen, Andrea Seidel and Marie Wieck are particularly noteworthy. This also applies to John Krafcik due to his role as Chief Executive Officer to Google LLCs autonomous driving project. Renata Jungo Brüngger has knowledge and experience in the area of Digitalization due to her areas of responsibility as member of the Board of Management at Mercedes-Benz Group AG (responsible in particular for data protection, data governance and legal tech).

Human Resources/Organization
Renata Jungo Brüngger, Joe Kaeser and Marie Wieck in particular possess in-depth knowledge in the area of **Human Resources** due to their extensive previous professional experience which they contribute to the Nomination Committee of the Supervisory Board. In addition to the members of the Supervisory Board who serve as works council chairmen/chairwomen and the IG Metall District Manager (German Metalworker's Union) Jörg Köhlinger as well as the former IG Metall District Manager Roman Zitzelsberger.

In the area of **Organization**, the relevant knowledge and experience of all shareholder representatives as well as Michael Brecht, Jörg Köhlinger and Roman Zitzelsberger due to their work and experience on external supervisory bodies are particularly valuable for the work of the Supervisory Board.

Strategy/Transformation
In the area of **Strategy**, in addition to all shareholder representatives (for those due to their former or current positions as Chief Executive Officers or Chief Financial Officers), Michael Brecht, Bruno Buschbacher, Carmen Klitzsch-Müller, Jörg Köhlinger, Andrea Seidel and Roman Zitzelsberger also have extensive knowledge and experience.

With regard to the **Transformation** of the Daimler Truck Group, particular emphasis should be placed on the relevant experience of the employee representatives and on the shareholder side the experience of Renata Jungo Brüngger, Joe Kaeser, John Krafcik and Harald Wilhelm due to their board activities in other industrial groups with similar transformation challenges.

Finance/Capital Market
With Michael Brecht, Michael Brosnan, Jacques Esculier, Akihiro Eto, Joe Kaeser, Jörg Köhlinger, Harald Wilhelm, Roman Zitzelsberger and Thomas Zwick, nine members of the Supervisory Board have training or professional experience in the area of **Finance**.

The area of **Capital Market** is well covered by Jacques Esculier, Joe Kaeser and Martin H. Richenhagen as they have served as chairmen of listed companies as well as by Michael Brosnan, Akihiro Eto, Renata Jungo Brünnger and Harald Wilhelm due to their current or previous (Board of Management) activities in listed companies.

- **Financial Expertise according to GCGC:** The Supervisory Board must have at least one member with special knowledge and experience in the application of accounting principles and internal control and risk management systems. At least one other member should have special knowledge and experience in auditing of financial statements. The expertise in accounting and auditing also includes sustainability reporting or its respective audits. With Michael Brosnan, Joe Kaeser and Harald Wilhelm the Supervisory Board has three financial experts who, as a result of their current or previous activities at other (listed) companies and ongoing training, have special knowledge and experience in the application of accounting principles and internal control and risk management systems. Michael Brosnan also has professional expertise in the auditing of financial statements. The expertise of the three aforementioned members of the Supervisory Board in the areas of accounting or auditing also includes sustainability reporting or its respective audits.

- **Sustainability Expertise according to GCGC:** At least four members of the Supervisory Board should have expertise in sustainability issues relevant to the Company in the areas of Environment, Social and Governance (sustainability areas), whereby each sustainability area should be covered by at least one member of the Supervisory Board. Expertise in this context relates to the special knowledge and experience which is acquired in the course of professional training or continuing education or deepened by the further professional or other activity. A person has expertise in a sustainability area within the meaning of the overall requirements profile if they have knowledge or experience in at least one of the defined focus topics of a sustainability area. The sustainability areas and focus topics correspond to those described above in the overall requirements profile for the Board of Management.

Environment

Bruno Buschbacher has specific expertise in the focus topic climate protection due to his work in the field of emission reduction and regulation in engine construction. In addition, Roman Zitzelsberger has relevant expertise in this focus topic due to his commitment to the use of hydrogen drives and the expansion in the public sector, Thomas Zwick due to his involvement with the future role of hydrogen as well as Joe Kaeser due to his long professional career, his work on supervisory boards and in the public sector. With Michael Brecht due to his trade union activities regarding international supply chain and resource coordination, and with Bruno Buschbacher due to his professional experience as explained above, there are two members of the Supervisory Board with expertise in the focus topic resource efficiency and circular economy. Renata Jungo Brüngger has expertise in the focus topic environmental protection due to her long-standing performance of central functions in connection with the decarbonization of vehicle fleets and the coordination in the development of sustainable business strategies, in particular during her work as member of the Board of Management of Mercedes-Benz Group AG.

Social

The following members of the Supervisory Board have relevant expertise in the Social sustainability area: Thanks to his many years of service at Waymo LLC, John Krafcik has special knowledge and experience with regard to the focus topic traffic safety in autonomous driving, an important research field for Daimler Truck. Renata Jungo Brüngger, Michael Brecht and Jörg Lorz each have expertise in the focus topic social responsibility (respect for human rights). The following members of the Supervisory Board have expertise in the focus topic creating the conditions to be a good employer: Jacques Esculier (wellbeing), Laura Ipsen (continuing education and diversity, equal opportunities & inclusion), Carmen Klitzsch-Müller (equal opportunities), Marie Wieck and Andrea Seidel (both diversity, equal opportunities & inclusion) as well as Shintaro Suzuki and Roman Zitzelsberger (each employee participation).

Governance

Owing to their professional careers, several Supervisory Board members have competences in the Governance sustainability area. In particular, worth highlighting is Marie Wieck’s expertise in the focus topic responsible governance due to the increased consideration and anchoring of sustainability issues in corporate decisions as part of her professional and social commitment. The focus topic responsible governance is also covered by Laura Ipsen, Joe Kaeser and Renata Jungo Brüngger due to their particular expertise in the increased consideration and anchoring of sustainability issues in corporate decisions. Michael Brecht, Jörg Köhlinger and Roman Zitzelsberger also have expertise in the governance sustainability area, each focusing on co-determination issues, as do Renata Jungo Brüngger and Harald Wilhelm in the focus topic compliance and ESG-risk management. The focus topic transparent reporting is covered in particular by the two financial experts on the Audit Committee Michael Brosnan and Harald Wilhelm.

Proposals by the Supervisory Board for the election of shareholder representatives by the General Meeting, for which the Nomination Committee submits recommendations, are to take into account the aspects outlined above and aim to satisfy the overall requirements profile for the Supervisory Board as a whole. The Nomination Committee is to draw up a shortlist of proposed members on the basis of a target profile, taking into account the specific qualification requirements and the aforementioned criteria, hold structured discussions with these proposed members, and in the process also obtain assurance that the proposed member has sufficient time to be able to exercise the mandate with due care. The Nomination Committee then recommends a candidate to the Supervisory Board for resolution and includes an explanation of its recommendation. Resolutions of the Supervisory Board regarding proposals for candidates for election to the General Meeting is always governed by the Company’s interests in consideration of all circumstances in each individual case.

The implementation status of the overall requirements profile for the Supervisory Board as of December 31, 2024 can also be found in the qualification matrix for shareholder representatives and the qualification matrix for employee representatives shown below:

B.90

Qualification matrix reflects implementation status of the overall requirements profile – shareholder representatives

As of 12/2024		Kaeser	Brosnan	Esculier	Eto	Ipsen	Jungo Brüngger	Krafcik	Richenhagen	Wieck	Wilhelm
Personal Data	Joined Board in	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
	Year of Birth	1957	1955	1959	1960	1964	1961	1961	1952	1960	1966
	Nationality[2]	German	US-American	French	Japanese	US-American	Swiss	US-American	US-American/ German	US-American	German
	Educational/Professional Background[2]	Business Administration	Business Administration	MBA/ Aerospace	Law/ Automotive	International Relations/ Management	Law/ Automotive	Engineering/ Business Administration	Business Administration/ Agriculture	MBA/ Information Technology	Business Administration
Diversity	Gender[3]	male	male	male	male	female	female	male	male	female	male
	General Age Limit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Generation Mix			✓	✓	✓	✓	✓		✓	✓
	Internationality		✓	✓	✓	✓	✓	✓	✓	✓	
Personal Suitability	Independence[4]	✓	✓	✓	✓	✓		✓	✓	✓	
	Time Effort	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	No Overboarding[5]	✓[7]	✓	✓	✓	✓	✓[7]	✓	✓	✓	✓[7]
	General Limit for Duration of Membership[4]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Supervisory Board-related Knowledge and Experience	Industry	✓		✓			✓	✓	✓		✓
	Technology			✓		✓		✓		✓	
	IT					✓		✓		✓	
	Digitalization					✓	✓	✓		✓	
	Human Resources	✓		✓		✓	✓			✓	✓
	Organization	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Transformation	✓	✓	✓		✓	✓	✓		✓	✓
	Finance	✓	✓	✓	✓						✓
	Capital Market	✓	✓	✓	✓		✓		✓		✓
Financial Expertise according to GCGC	Accounting	✓	✓								✓
	Audit		✓								
Sustainability Expertise[1] according to GCGC	Environment[6]	✓					✓				
	Social[6]			✓		✓	✓	✓		✓	
	Governance[6]	✓	✓			✓	✓			✓	✓

1 This content is part of the Group Sustainability Report, see chapter Sustainability at Daimler Truck (ESRS data point GOV-1 23a), and has been subject to a limited assurance engagement.
2 These contents are part of the Group Sustainability Report, see chapter Sustainability at Daimler Truck (ESRS data point GOV-1 21c), and have been subject to a limited assurance engagement.
3 Requirements of the German Stock Corporation Act (AktG) regarding Gender Quota met.
4 According to German Corporate Governance Code (GCGC).
5 Group mandates only counted once according to requirements profile.
6 Expertise regarding sustainability issues relevant to Daimler Truck.
7 Fulfillment of requirements profile; however, Overboarding in accordance with GCGC.

B.91

Qualification matrix reflects implementation status of the overall requirements profile – employee representatives

As of 12/2024		Brecht	Buschbacher	Klitzsch-Müller	Köhlinger	Lorz	Reith	Seidel	Suzuki	Zitzelsberger	Zwick
Personal Data	Joined Board in	2021	2021	2021	2021	2021	2021	2022	2023	2021	2021
	Year of Birth	1965	1978	1970	1963	1972	1984	1979	1969	1966	1966
	Nationality[2]	German	German	German	German	German	German	Swiss	Japanese	German	German
	Educational/Professional Background[2]	General Management/ Automotive Technician	Industrial Mechanics/ Business Administration	Business Administration	Industrial Clerk/ Akademie der Arbeit	General Management	Social Economics	Business Informatics/ Information Technology	Engineering	General Management	Business Administration
Diversity	Gender[3]	male	male	female	male	male	female	female	male	male	male
	General Age Limit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Generation Mix	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Internationality							✓	✓		
Personal Suitability	Independence[4]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Time Effort	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	No Overboarding[5]	✓	✓	✓	✓[7]	✓	✓	✓	✓	✓[7]	✓
	General Limit for Duration of Membership[4]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Supervisory Board-related Knowledge and Experience	Industry	✓	✓	✓		✓	✓	✓	✓	✓	✓
	Technology	✓	✓		✓	✓	✓	✓	✓	✓	✓
	IT							✓			
	Digitalization							✓			
	Human Resources	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Organization	✓			✓					✓	
	Strategy	✓	✓	✓	✓			✓		✓	
	Transformation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Finance	✓			✓					✓	✓
	Capital Market										
Financial Expertise according to GCGC	Accounting										
	Audit										
Sustainability Expertise[1] according to GCGC	Environment[6]	✓	✓							✓	✓
	Social[6]	✓		✓		✓		✓	✓	✓	
	Governance[6]	✓			✓					✓	

1 This content is part of the Group Sustainability Report, see chapter Sustainability at Daimler Truck (ESRS data point GOV-1 23a), and has been subject to a limited assurance engagement.
2 These contents are part of the Group Sustainability Report, see chapter Sustainability at Daimler Truck (ESRS data point GOV-1 21c), and have been subject to a limited assurance engagement.
3 Requirements of the German Stock Corporation Act (AktG) regarding Gender Quota met.
4 According to German Corporate Governance Code (GCGC).
5 Group mandates only counted once according to requirements profile.
6 Expertise regarding sustainability issues relevant to Daimler Truck.
7 Fulfillment of requirements profile; however, Overboarding in accordance with GCGC.

Managers' transactions

Members of the Board of Management and of the Supervisory Board are legally required pursuant to Article 19 Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse (Market Abuse Regulation) to disclose transactions conducted for their own account involving shares or debt instruments of Daimler Truck Holding AG, related derivatives or other related financial instruments, insofar as the total amount of the transactions conducted by the member or related persons reaches or exceeds the sum of €20,000 within a single calendar year. The transactions disclosed to Daimler Truck Holding AG are duly published.

Shareholders and General Meeting

The shareholders exercise their membership rights, in particular their voting rights, at the Company's General Meeting. With the exception of own shares held by the Company (treasury shares), from which the Company does not derive any rights, each share of Daimler Truck Holding AG entitles the holder to one vote. At the General Meeting, shareholders regularly take decisions on, among other things, the appropriation of distributable profits, the election of the external auditor, the discharge of the members of the Board of Management and the Supervisory Board, the approval of the annual remuneration report, and the election of shareholder representatives, which is regularly carried out as an individual election. The remuneration system for the Board of Management and the remuneration of members of the Supervisory Board must be submitted to the General Meeting every four years at least. Amendments to the Articles of Incorporation and certain capital measures are also decided upon at the General Meeting and implemented by the Board of Management, and, where necessary, with the Supervisory Board's approval. By resolution of the Annual General Meeting on June 21, 2023 the Board of Management has been authorized via amendment to the Articles of Incorporation to provide for the General Meeting to be held without the physical presence of the shareholders or their proxies at the venue of the General Meeting (virtual General Meeting). This authorization is valid until the expiry of August 31, 2025.

Shareholders who are entered in the Company's shareholder register on the day of the General Meeting and who have registered in good time prior to the General Meeting in accordance with the provision in the convocation will be permitted to attend the General Meeting and can exercise their voting rights. The details, in particular of registration and the freeze on changes in the shareholder register required for technical reasons prior to the General Meeting and the options for exercising voting rights (by proxy, e.g., Company proxies bound by instructions and possibly by postal vote), are published together with the convocation to the General Meeting in the German Federal Gazette (Bundesanzeiger).

Shareholders can submit motions on resolutions proposed by the Board of Management and the Supervisory Board and challenge the resolutions made at the General Meeting. The reports, documents and information required by law for the General Meeting, including the Annual Report, are available at www.daimlertruck.com/en/investors/financial-calendar/annual-general-meetings, as is the agenda for the General Meeting and any countermotions or election proposals from shareholders and other documents and information on the General Meeting.

As part of our comprehensive investor relations activities we maintain close contact with our shareholders. We provide shareholders, financial analysts, shareholder associations, the media and interested members of the public with extensive and regular information on the status and the strategy of the Company and inform them immediately of any significant business changes. The Chairman of the Supervisory Board is also regularly prepared, within reasonable limits, to hold discussions with investors on issues relating specifically to the Supervisory Board.

We make extensive use of the Company's website for our investor relations work, in addition to other communication channels. All material information published in the 2024 financial year, including annual, quarterly and interim reports, capital market releases, voting rights notifications according to the German Securities Trading Act (Wertpapierhandelsgesetz or WpHG), presentations and audio recordings from analyst and investor events and conference calls, as well as the financial calendar, are available at www.daimlertruck.com/en/investors. In any case, the dates of the General Meeting, the Annual Results Conference and the analysts' conferences are announced well in advance in the financial calendar.

Risk and Opportunity Report

The Daimler Truck Group is exposed to a great number of risks – risks associated with the business activities of Daimler Truck Holding AG and its subsidiaries and risks resulting from external influences. A risk is defined as the danger that events, developments or actions will prevent the Group or one of its segments from achieving its goals. This includes financial and non-financial risks. At the same time, it is important to identify opportunities in order to ensure and enhance the competitiveness of the Daimler Truck Group. An opportunity is defined as the possibility to take advantage of events, developments or actions to ensure successful achievement or to even exceed the planned goals of the Group or of a segment.

In order to identify, evaluate and actively manage entrepreneurial risks and opportunities at an early stage, effective management and control systems are used – these are pooled in a so-called risk and opportunity management system. Risks and opportunities are not offset.

B.92

Assessment of probability of occurrence / possible impact

Level	Probability of occurrence
Low	> 0% to 33%
Medium	> 33% to 66%
High	> 66% to 100%

Level	Possible impact
Low	> €0 to < €150 million
Medium	≥ €150 million to < €300 million
High	≥ €300 million

Risk and opportunity management system

The **risk management system** is intended to systematically and continuously identify, assess, control, monitor, and document risks that endanger the Company's continued existence and other significant risks to its success in order to support the achievement of corporate goals and to increase risk awareness throughout the Company. The risk and opportunity management system is embedded in the value-based management and planning system of the Daimler Truck Group and is an integral part of the entire planning, control and reporting process across the companies, segments and corporate functions.

The **opportunity management system** at the Daimler Truck Group is based on the risk management system. The aim of opportunity management is to identify potential opportunities in positive developments within business activities at an early stage and to make the most of them for the Company by taking appropriate measures. Seizing opportunities should result in planned goals being met or exceeded.

As part of the planning process, risks and opportunities are tracked with an observation horizon of up to seven years. The reporting of risks and opportunities in the combined management report generally covers one year. In this document, relevant risks and opportunities are taken into account that, due to their scope, have not already been considered in the reporting on the current situation or in the planning.

Risk assessment is based on the probability of occurrence and the possible impact, and risks are classified as "low", "medium", or "high". These levels are also the basis for assessing the probability of occurrence and the potential impact of opportunities. When assessing the extent of a risk or opportunity – unless otherwise reported – its impact is considered in relation to EBIT.
To quantify the risks and opportunities in the combined management report, the individual risks and opportunities are summarized for each category. The assessment of the dimensions "probability of occurrence" and "possible impact" is based on the classification shown in table ↗ B.92 and takes place before planned measures.

In order to assess the Group's **risk-bearing capacity**, the potential effects of the risks on earning, are analyzed using a Monte Carlo simulation (confidence level: 99%). The aggregated risks are compared with the reported equity of the Daimler Truck Group as a risk cover.

Sustainability aspects are integrated into the Group-wide risk management process at Daimler Truck. These are conditions, events or developments relating to environment, social aspects or governance (environmental, social and governance – ESG), the occurrence of which may actually or potentially affect the profitability, liquidity and capital resources, and financial position of the Daimler Truck Group and its reputation. ESG-related risks and opportunities that are very likely to have a serious negative impact on non-financial aspects in accordance with the CSR Directive Implementation Act (CSR-RUG) can be found in the respective categories of the risk and opportunity report according to their cause. More information regarding sustainability can be found in chapter Sustainability at Daimler Truck.

Risk management is based on the principle of completeness, which means that all identified risks are incorporated into the risk management process at the level of the individual units.

The scope of consolidation for risk and opportunity management corresponds to the scope of consolidation of the Consolidated Financial Statements and, if necessary, goes beyond it. Risks and opportunities of the segments and operating units, significant associated companies, joint ventures, and joint operations as well as the corporate departments are included.

Furthermore, the employees responsible for risk management have the task of defining measures and, if necessary, initiating such measures to prevent, mitigate, or protect the Group against risks. Opportunity management involves implementing measures with which opportunities can be seized, improved and (fully or partially) realized. The cost-effectiveness of a measure is assessed before it is implemented. The possible extent and the probability of occurrence of all risks and opportunities from the individual units as well as the respective measures that have been initiated are continuously monitored. Control takes place in the Company at segment level, based on individual risks and opportunities. Daimler Truck Holding AG, the parent company of the Daimler Truck Group, monitors implementation by the segments as part of its regulatory, legal and compliance functions.

The organizational embedding of risk and opportunity management is carried out by the risk management organization that has been established at the Group. The responsibility for operational risk management and for the risk management processes is borne by the segments, corporate functions, organizational units, and companies. They report on the concrete risks and opportunities at regular intervals to their superordinate units.

Material risks that arise unexpectedly must be reported immediately. The segments pass along this information to the corporate risk management unit, which presents it to the Board of Management and the Supervisory Board. The Group Risk Management Committee (GRMC) is responsible for ensuring continuous improvement and evaluating the appropriateness and effectiveness of the risk management system. The GRMC is composed of representatives from Accounting & Result Management, the Legal department, Compliance, Group Security and Investor Relations & M&A, as well as of the CFOs of the segments of the Daimler Truck Group. The GRMC is chaired by the CFO of Daimler Truck Holding AG. The internal Corporate Audit department contributes key findings about the internal control and risk management system.

The **internal control system with regard to the accounting process** aims to ensure the correctness and reliability of the accounting and financial reporting. It is designed in line with the internationally recognized framework for internal control systems of the Committee of Sponsoring Organizations of the Treadway Commission (COSO Internal Control – Integrated Framework), is continually developed further, and is an integral part of the accounting and financial reporting processes in the relevant companies, organizational units, and corporate functions. The system includes principles and procedures as well as preventive and detective controls.

The appropriateness and effectiveness of the internal control system is systematically assessed with regard to the accounting process. The first step involves a risk and process analysis, as well as a control definition with the aim of identifying significant risks for the accounting and financial reporting processes in the main companies, organizational units, and corporate functions. The required controls are then defined on a risk basis, implemented, and documented in accordance with the Group-wide guidelines. In order to assess the appropriateness and effectiveness of the controls, random samples are tested at regular intervals. These form the basis for a self-assessment as to whether the controls are appropriate and effective. The results of this self-assessment are documented and reported in a Group-wide IT system, and identified control weaknesses are tracked and eliminated. The selected companies, organizational units, and corporate functions confirm the appropriateness and effectiveness of the internal control system with regard to the accounting process at the end of the annual cycle. The Board of Management and the Audit Committee of the Supervisory Board are regularly informed about potential significant control weaknesses and the appropriateness and effectiveness of the control mechanisms that have been set up. However, the internal control system for the accounting process cannot provide absolute certainty that material misstatements in the financial reporting will be avoided.

The Audit Committee of the Supervisory Board of Daimler Truck Holding AG is responsible for monitoring the internal control and risk management system. The internal Corporate Audit department checks whether the statutory framework conditions and internal policies for the control and risk management system of the Group are being observed. Where necessary, measures are initiated in cooperation with the respective management. The external auditor examines the early warning system for risks integrated in the risk management system and checks whether it is fundamentally able to detect risks threatening the continued existence of the Group at an early stage. He or she also reports to the Audit Committee and the Supervisory Board on any significant weaknesses found in the in the accounting-related internal control system and the early warning risk detection system.

The processes and systems for the internal control system, the risk management system, and the compliance management system are monitored on an ongoing basis. We have introduced appropriate improvement measures to eliminate identified weaknesses and ensure the continuous improvement of processes and systems.

More information regarding the compliance management system can be found in chapter Sustainability governance.

The overall assessment of appropriateness and effectiveness of the internal control system, the risk management system, and the compliance management system did not reveal any indications that these systems are inadequate or ineffective, taking into account the scope of the Company's business operations and risk position.[1]

1 The content of this section was not subject to an audit of its contents in the context of the statutory external audit of our combined management report.

Risks and opportunities

The following section describes risks and opportunities that could have a significant impact on the profitability, liquidity and capital resources, and financial position of the Daimler Truck Group. The reporting on risks and opportunities generally takes place in relation to the individual segments. If no segment is explicitly mentioned, the risks and opportunities described apply to all segments.

When assessing risks and opportunities, we generally consider both gross and net values. The gross opportunities and risks are presented below.

In addition to the risks and opportunities described below, other risks that are not yet known to the Group or have been classified as insignificant may affect the Daimler Truck Group's profitability, liquidity and capital resources, and financial position in the future.

Industry and business risks and opportunities

The following section describes the industry and business risks and opportunities for the Daimler Truck Group. A quantification of these risks and opportunities is shown in table ↗ **B.93**.

Economic risks and opportunities
Economic risks and opportunities constitute the framework for the risks and opportunities listed in the following categories and are used as premises in the quantification of these risks and opportunities. The overall economic framework has a significant influence on vehicle sales markets and thus on the Group's success. As a consequence, adverse economic developments, either globally or in the markets in which the Group operates, may result in substantially diminished demand for the Group's products. In addition, demand in the commercial vehicle industry is cyclical, which means that periods of investment in commercial vehicles are generally followed by slower periods in which demand levels decline. The length, timing and intensity of specific demand cycles, which may affect individual market segments, customer groups and regions in which the Group operates, are subject to uncertainty. Cyclical or variable demand patterns may result in a prolonged or unexpected decline in demand for the Group's products and services.

The economic development in 2024 is described in chapter Economic Conditions and Business Development of the combined management report. Growth assumptions and forecasts for the overall development in 2025 are discussed in chapter Outlook of the combined management report.

Global economic growth is expected to develop similarly in 2025 to that in the reporting year. However, geopolitical risks and increasing trade conflicts could have a negative impact on real economic development.

The further development and potential further escalation of the **Russia-Ukraine war** or, in the worst case, its expansion to other countries, continues to pose a major risk. The most significant risks as a consequence of the Russia-Ukraine war are described in the section "Risks and opportunities related to legal and political framework conditions".

At the country level, **emerging economies** (e.g., Türkiye) with high foreign debt and high current account deficits could come under pressure, resulting in significant currency devaluations. Financial market turbulence and even currency crises would be possible consequences and could put a massive strain on the business activity in the affected economies, which would have a negative effect on the Group's sales prospects.

The unresolved trade conflict between the USA and China, which has been going on for several years now, continues to pose a significant risk to the further **development of global trade**. More and more areas are now affected by the conflict, and there is a threat of increasing technological and economic decoupling of the two countries.

In addition to the existing protectionist measures such as specific market access barriers, sanctions or industrial policy demands for higher local value added, there is also the risk of exacerbation through abrupt interventions with effects on the procurement of required commodities and materials for production and sales. Together with the aforementioned risks, the resulting impact on the **supply chains** and ultimately the effects on general pricing for raw materials, upstream products and finished products, may lead to higher costs for Daimler Truck Group and have a negative impact on economic development and sales opportunities. In return, unforeseen trade easing could generate positive impulses and lead to more trade and higher growth. In this case, the Daimler Truck Group could also benefit.

B.93
Industry and business risks / opportunities

Risk category	Probability of occurrence	Impact	Opportunity category	Probability of occurrence	Impact
General market risks	Low	High	General market opportunities	Low	High
Risks relating to the legal and political framework	Medium	High	Opportunities relating to the legal and political framework	–	–
Risks from the procurement market	Low	High	Opportunities from the procurement market	Low	High

The **European market** is of great importance for the Daimler Truck Group. Accordingly, changes in investment and consumer behavior will affect the development of unit sales. In 2024, inflation moved towards the European Central Bank (ECB) target level, although rates rose slightly again towards the end of the year. However, the economic growth in the eurozone remained weak in 2024. Economic output growth in the eurozone is likely to accelerate slightly in 2025 compared to the reporting year, although possible trade restrictions could weaken growth momentum. In the European Union (EU), the risk of political conflict is increased due to the Russia-Ukraine war. The risks triggered by the Russia-Ukraine war are described in the section “Risks and opportunities related to legal and political framework conditions” below.

In the **USA**, the economy developed slightly better than expected during 2024. Additionally, inflation decreased compared to the previous year. Since the Daimler Truck Group generates a substantial proportion of its revenue in the USA, further developments in the US economy may significantly impact the Group. The economic outlook for the USA is subject to uncertainty. Import tariffs on goods from important trade partners could increase inflation again, and slow down consumption.

General market risks and opportunities

The risks and opportunities for economic development in the vehicle markets are significantly influenced by the global economic situation described above. The assessment of market risks and opportunities is linked to assumptions and forecasts about the overall market development in the regions in which the Daimler Truck Group is active. The possibility of markets developing better or worse than assumed or of market conditions changing is present for all segments of the Daimler Truck Group.

Potential **risks for the development of sales** are simulated in risk scenarios. A lack of market acceptance of certain vehicle models in individual regions can have a negative impact on profitability. Declining vehicle sales may also result from the at times unstable macroeconomic environment and arise in the context of political or economic uncertainty. This applies in particular to the traditionally cyclical construction and logistics industry and the corresponding impact on Daimler Truck unit sales. Moreover, there is the risk that high demand cannot be met in a timely manner due to supply chain constraints. The developments of markets, unit sales and inventory are continually monitored and analyzed by the segments. Where necessary, specific marketing and sales programs are implemented.

Volatilities with regard to market developments can also lead to the overall market or regional framework conditions for the commercial vehicle industry developing better than assumed in the internal forecasts and premises, resulting in business opportunities in the market. Opportunities may also arise from an improvement in the competitive situation or a positive development of demand. Realization of the opportunities is supported by sales and marketing campaigns.

Due to the at times difficult financial situation of some **dealerships and vehicle importers**, support from the Daimler Truck Group may become necessary to ensure business partners stay afloat. The financial situation of strategically relevant dealerships and vehicle importers is continuously monitored. The loss of important dealerships and vehicle importers can lead to customer demand not being fully met and a decline in unit sales. Meeting costs where contracts are canceled and having to process outstanding customer contracts where dealerships go out of business may become necessary and have a negative impact on profitability.

The launch of new products by competitors, a more aggressive pricing policy and more difficult net pricing in the sales and aftersales business can lead to increasing **competitive and price pressure** in the vehicle segments and have a negative impact on profitability. Competitors are continually monitored in order to identify these risks at an early stage. Depending on the situation, product-specific and possibly regionally differing measures are taken to support markets with weaker sales. In addition, the Daimler Truck Group has introduced various sales-promotional programs that include financial incentives for customers.

When purchasing vehicles from the Daimler Truck Group, customers are offered a wide range of **financing and leasing options**. The resulting risks for the Financial Services segment lie primarily in a deterioration of the creditworthiness of borrowers, i.e., receivables may become fully or partially irrecoverable due to the insolvency of customers (counterparty or credit risk). The Daimler Truck Group counters credit risks with credit checks based on standardized scoring and rating procedures, the collateralization of receivables and an effective risk management system with a strong focus on monitoring both internal and macroeconomic early warning indicators.

In connection with lease agreements, risks arise if the resale value of a leased vehicle at the end of the agreed term differs from the residual value originally calculated and forecast at the time the contract was signed and the leasing rate was agreed upon. There are risks linked to negative developments in the used vehicle markets and associated with **vehicles’ residual values**. In order to counteract these risks, residual value management processes have been established. Depending on the region and the current market situation, the measures taken generally include continuous market monitoring and, where necessary, pricing strategies or sales-promoting measures to regulate vehicle stocks. The quality of market forecasts is verified by regular comparisons of internal and external sources, and residual values are adjusted as necessary and further developed with regard to methods, processes and systems.

The **Daimler Truck Group’s service business** (including both aftersales services and financial services) is a key contributor to the Daimler Truck Group’s success and competitiveness, but may not generate the revenues and profitability that the Daimler Truck Group expects for a number of reasons, including: Declines in unit sales of new vehicles; changes in economic conditions encouraging customers to become more price-conscious and less willing to commit to long-term service contracts; a large proportion of customers deciding to move their aftersales maintenance needs in-house or to other providers, or in the case of financial services, to banks; changes in customer preferences for connectivity and other digital services, including offerings from third-party software and hardware developers; or competitive pressure forcing the Daimler Truck Group to reduce the prices it charges for aftersales services and/or parts, or the conditions in the case of financial services, thereby reducing the Group’s margins and profitability.

Risks and opportunities related to legal and political framework conditions

Around the world, the commercial vehicle industry is subject to far-reaching statutory requirements. Legal and political framework conditions have a considerable influence on the future business success of the Daimler Truck Group. Regulations concerning vehicle emissions, fuel consumption, safety and certification, as well as customs procedures, play an important role.

Many countries and regions have already implemented stricter **regulations to reduce the emissions and fuel consumption** of vehicles or are currently in the process of introducing such legal requirements. They address, for instance, the environmental compatibility of vehicles, including limits on noise emissions, as well as pollutants from the emissions caused by production facilities. Failure to comply with the relevant regulations in the individual regions may result in considerable penalties and reputational risks and can even lead to vehicles no longer being registered in the affected markets.

The regulations for reducing vehicle emissions and fuel consumption also pose risks for Daimler Truck, as the strict legal requirements will be difficult to meet in some countries. This primarily affects the markets of the USA, Europe, Japan and, increasingly in the future, China. The ambitious targets, especially in Europe, cannot be achieved with conventional technology alone. The Daimler Truck Group must therefore use the latest technology in order to meet these requirements. The EU fleet targets for 2025 and 2030 already require significant reductions in CO_2-emissions that can only be achieved using battery-electric or hydrogen-based drive systems and with higher costs.

Phases of political uncertainty may generally have negative effects on consumption and investment decisions by households and companies and consequently have a negative impact on the economic development and sales opportunities of the Daimler Truck Group.

Far-reaching risks may continue to arise from the **Russia-Ukraine war**. In view of Russia's ongoing war against Ukraine, the EU adopted another sanctions package in 2024, aiming in particular at being able to take better action against the circumvention of existing sanctions. Daimler Truck has also been and may be subject of governmental inquiries or investigations regarding its or its joint ventures' compliance or the compliance of its or its joint ventures' employees, consultants, agents or partners, including joint venture partners, with matters such as export controls, sanctions or other governmental policies. The war could continue to have a negative impact on the development of unit sales, production processes, and procurement and logistics, for example through interruptions in supply chains or energy supply, or shortages of commodities, parts and components, either as a direct consequence of the war itself or by the comprehensive sanctions. The war in Ukraine could escalate further and, in the worst case, spread to other countries. Such an expansion would pose a significant risk to Daimler Truck's market environment.

The potential interruptions of supply chains and shortages of commodities, parts or components may result in further increases in energy and commodity prices and the prices of parts and components, which could result in higher costs. Furthermore, as a result of higher inflation, the Group's cost base in general might be negatively affected. In addition, rising refinancing costs in the capital markets may lead to negative effects on the result of Financial Services.

Furthermore, the position of the Daimler Truck Group in key foreign markets could be affected by the conclusion or amendment of **free trade agreements**. If free trade agreements are concluded without the participation of countries with Daimler Truck Group production sites, the Group could face a competitive disadvantage compared with competitors who produce in the countries that are part of the free trade agreement. In addition, if the content of the free trade agreements currently used by the Daimler Truck Group is made significantly stricter or the conditions of future free trade agreements are more restrictive, this could also significantly impair the competitive position of the Daimler Truck Group, as the Group would no longer or only partially benefit from those free trade agreements. At the same time, however, the conclusion of new free trade agreements could also create opportunities for the Daimler Truck Group vis-à-vis competitors, provided that the competitors do not produce in the countries concerned, but the Daimler Truck Group does.

There is a risk that individual countries will increasingly resort to **interventionist and protectionist measures** in an attempt to protect or improve their competitiveness on the world market. The vehicle industry, including the commercial vehicle industry, is often seen as a key sector for generating domestic investments and increasing local value added along the entire value chain. This can lead to increased costs if production facilities have to be set up or expanded or local purchasing has to be increased. Cutting technological and economic links between major markets can also have an impact on earnings if research and development have to be conducted locally or value chains have to be adjusted because certain technologies cannot legally be used in the end products. Furthermore, attempts are being made to limit imports through market access barriers such as by making certification processes more difficult, **delaying certifications**, and imposing complex **customs procedures** as well as **tariffs,** as seen in the case of the **USA import tariffs**.

In addition, **traffic policy restrictions** to combat traffic jams, noise and emissions are becoming increasingly important in cities and metropolitan areas around the world. Although they can dampen the sales development of conventional vehicles, they can also create demand for vehicles with alternative drive systems.

Daimler Truck continuously monitors the development of the legal and political framework conditions and tries to anticipate foreseeable requirements and long-term objectives at an early stage in the process of product development. Compared to the prior year, the legal and political framework risks increased, with the probability of occurrence increasing from low to medium, reflecting the current geopolitical risk landscape and the spillover effects of different events around the globe on the Daimler Truck Group, in particular from US tariffs.

Procurement market risks and opportunities

For the Industrial Business, risks and opportunities on the procurement side are mainly due to fluctuations in raw material and energy prices. Financial bottlenecks at suppliers, capacity restrictions due to supplier failure or exits, limited scope for negotiating prices of supplied parts, and the over- or underutilization of production capacities at suppliers can also lead to reduced earnings.

The Industrial Business of the Daimler Truck Group requires certain raw materials, parts and components for the construction of vehicle parts and vehicles. These include steel, copper, aluminum, precious metals, rubber, plastics, particularly within parts and components. The cost of such raw materials, parts and components represents a significant portion of the Daimler Truck Group’s total costs. The Daimler Truck Group procures raw materials, parts and components from several suppliers. However, for the majority of parts, the Daimler Truck Group relies on a specific supplier for each individual part (also referred to as “single sourcing”). In these cases, the Daimler Truck Group faces the risk of production downtime and inventory backlogs if one or more suppliers are unable or unwilling to fulfill delivery obligations, for example due to supply shortages, labor strikes, capacity allocation to other customers, or financial distress of the supplier.

Prices of raw materials, parts and components may experience significant fluctuation from time to time due to, among other factors, global or regional supply and/or demand dynamics in the commodities markets and end markets, lower production capacity, and constraints on the part of suppliers, transportation costs and issues, energy prices, infrastructure failures, government customs procedures and tariffs, geopolitical events, changes in currency exchange rates, price controls, the economic climate including inflationary pressure, and other unforeseen circumstances.

In general, the ability to pass on increases in raw material, parts and component prices in the form of higher prices for manufactured vehicles is limited because of strong competitive pressure on the international commercial vehicle markets. Rising prices for raw materials may therefore have a negative impact on the profit margins of the vehicles sold and thus lead to a decline in profitability for the respective segment.

For some suppliers, the financial situation remains tense due to the market environment. The resulting possible production downtimes at suppliers may cause supply chain disruptions in the vehicle divisions of the Daimler Truck Group and prevent vehicles from being completed and delivered to customers on time. In order to counteract such disruptions in the supply chains, support measures may be necessary to ensure production and sales by suppliers. Supplier risk management aims to identify potential **financial bottlenecks for suppliers** at an early stage and to initiate suitable countermeasures. Taking into account the warning signals recorded and the internal classification, regular reporting dates are agreed for suppliers, at which key performance indicators are reported to the Daimler Truck Group and, where necessary, support measures can be determined.

Finally, rapidly rising demand for certain new technologies, such as electrified powertrains, could require significant changes to the Daimler Truck Group’s supply chain and result in higher product costs and supply bottlenecks. An increasing shift to e-mobility and digitalization throughout the industry has resulted and is expected to continue to result in long-term increases in demand for battery cells, semiconductors and certain critical materials, such as lithium, necessary to manufacture them. Due to the limited pool of suppliers, price increases and constraints in the supply of these materials have occurred and may continue to occur. This would limit the Daimler Truck Group’s ability to meet demand for its current generation of vehicles (including its vehicles with conventional combustion engine) or its new zero-emission vehicles (ZEV) profitably (or at all).

Company-specific risks and opportunities

The following section covers Company-specific risks and opportunities of the Daimler Truck Group. A quantification of these risks and opportunities is shown in table ↗ B.94.

Production and technology risks and opportunities
Technical developments and innovations are of key importance for the safe and sustainable mobility of the future. Through the design of the product range, technical innovations are integrated into the strategic product planning of the vehicle segments. Technology risks can arise especially as a result of increasing technical complexity, the continually growing range of requirements that need to be met regarding emissions, fuel consumption, and safety, as well as the need to meet and constantly raise the quality standards of the Daimler Truck Group. These risks are prevalent particularly in connection with the launching and manufacturing of products and potentially associated risks relating to the recoverability of intangible assets. In the context of the already ongoing transformation to zero-emission vehicles and the approach pursued by Daimler Truck, which focuses on the development, production and sales of battery-electric and hydrogen-based drive systems, this would result in high risks and also opportunities in relation to production, operation and warranties. Daimler Truck Group's future success depends on its ability to correctly assess and respond to the transformation to zero-emission vehicles with innovative, commercially attractive products and services that are able to compete in the market. Other decisive factors for successful conversion to ZEVs are customer acceptance, continued governmental support, sufficient publicly available charging infrastructure and hydrogen or energy at competitive prices, all of which are subject to uncertainty and to a large extent outside of Daimler Truck's control.

When a product is launched in the vehicle segments, the required components and equipment have to be available. In order to avoid restrictions in this context, the associated processes are continuously evaluated and improved. In order to secure and improve the long-term future viability of production facilities in the vehicle segments, modernization as well as expansion, development and restructuring activities are carried out as required. The **implementation of modernization measures and the launch of new products** are usually associated with high investments. This can also lead to inefficiencies in the production process and, as a result, to a temporary reduction in production volumes.

In principle, there is a risk of internal bottlenecks due to low equipment availability or failures of **production plants or factories**, which would result in costs being incurred. A prolonged disruption at a manufacturing facility could result in production downtimes or temporary operation at reduced capacity preventing the Daimler Truck Group from completing production orders in a timely manner. This could result in a loss of business volume, reduced productivity or profitability at a particular production site and significant repair costs that are not covered by the Daimler Truck Group's insurance coverage. Production facilities are continuously maintained and modernized. As a precaution, spare parts are kept on hand for potentially affected systems, and spare machines are procured as necessary.

Capacity restrictions in the availability of batteries for certain vehicle models, as well as interruptions in the supply chain can lead to bottlenecks.

New technical requirements may also lead to restrictions on the sale of vehicles that have already been produced. Restrictions on certain equipment features in new vehicle models and the lack of availability of vehicle parts at the right time could also mean that the vehicles cannot be handed over to customers as planned. In order to avoid such **bottleneck situations**, it is important that capacity bottlenecks can be compensated for by forward-looking planning. In addition, as part of the management of the entire value chain, supply routes as well as the availability and quality of products are continuously monitored. As a risk prevention measure, a supplier management system is in place to ensure the quantity and quality of the components required to manufacture the vehicles. Lack of availability and quality problems with certain vehicle parts can lead to production downtimes and higher costs.

Daimler Truck is subject to risks related to deviation from planning in connection with large projects, including the development and launch of new vehicle generations, vehicles or powertrains. This may especially be the case when capital-intensive projects, such as factory extensions or capacity expansions, e.g., the introduction of a new production line, are required. These risks may result from a number of factors, including inaccurate assumptions with respect to planning and implementation costs, unexpected technical challenges, weaknesses in project design and management, and poor performance of third-party suppliers and business partners. These factors could result in significant cost overruns, delays in new product launches, delivery delays, quality issues and damage to customer relationships.

B.94
Company-specific risks / opportunities

Risk category	Probability of occurrence	Impact	Opportunity category	Probability of occurrence	Impact
Production and technology risks	Low	High	Production and technology opportunities	–	–
Information technology risks	Low	Medium	Information technology opportunities	–	–
Personnel risks	Medium	High	Personnel opportunities	–	–
Risks related to associated companies and joint ventures	Medium	Medium	Opportunities related to associated companies and joint ventures	–	–

Warranty and goodwill claims could arise in the Daimler Truck Group if the quality of products does not meet the requirements, regulations are not fully complied with, or support in the event of problems and product care cannot be provided in the required form. Such warranty and goodwill cases as well as quality problems both with components in vehicles and in connection with technical innovations on vehicles that require adjustments can lead to financial burdens. Possible claims in connection with such risks are examined and, if necessary, appropriate measures are initiated for the affected products.

Information technology risks and opportunities

The systematically pursued digitalization strategy opens up new opportunities for Daimler Truck and allows it to enhance customer benefits and the value of the Company. Nevertheless, the high penetration level of information technology (IT) in all business areas also harbors risks for business and production processes as well as for their services and products.

The ever-growing threat posed by **cybercrime** and the spread of aggressive malicious code give rise to risks that can affect the availability, integrity and confidentiality of information and IT-supported operating resources. Despite extensive precautions, in the worst-case scenario, this can lead to a temporary interruption of IT-supported business processes with severe negative effects on the Group’s earnings. In addition, the loss or misuse of sensitive data may under certain circumstances lead to a loss of reputation. In particular, applicable regulatory requirements such as the EU General Data Protection Regulation (EU-GDPR) may, among other things, give rise to claims by third parties and result in costly regulatory requirements and penalties with an impact on earnings.

For the globally active Daimler Truck Group and its comprehensive business and production processes, it is of vital importance that information is available, up-to-date, complete and correct and that it can be exchanged as needed. The Group’s internal IT security framework is based on international standards and uses industrial standards and good practice as part of its protective measures. New regulatory requirements for cyber security and cyber security management systems are taken into account in the further development of our processes and policies.

When managing the increasing supply chain risks posed by ransomware threats, Daimler Truck prioritizes comprehensive cyber protection strategies and measures to secure its collaboration with third parties.

Appropriately secure IT systems and a reliable IT infrastructure must be used to protect information. Cyber threats must be identified over the entire lifecycle of applications and IT systems, and dealt with in line with their criticality. Particular attention is paid to risks that could, at worst, result in an interruption of business processes due to IT system failures, and the loss and corruption of data. The advancing digitalization and connectivity of production equipment is supplemented by coordinated technical and organizational security measures. The migration to new IT systems may result in information technology risks for the Daimler Truck Group.

Due to growing demands concerning the confidentiality, integrity and availability of data, Daimler Truck has implemented a wide range of preventive and corrective measures in order to minimize the associated risks and limit possible damage. For example, the Group reduces potential interruptions of operating processes in data centers by means of mirrored data sets, decentralized data storage, outsourced data backups and IT systems designed for high availability. Emergency plans are developed and employees are trained and regularly sensitized in order to maintain operating capability. Specific threats are analyzed, and countermeasures are coordinated at a globally active Cyber Security Operation Center (CSOC). The protection of products and services against the danger of falling prey to hacker attacks and cybercrime is under constant development.

Personnel risks and opportunities

The Daimler Truck Group strives for good **relationships with its employees, their trade unions as well as employee representative bodies and stakeholders.** A number of collective agreements apply, some of which impose obligations and restrictions on the Daimler Truck Group in connection with reorganizations, restructurings or similar corporate actions and which it may not be able to extend, renew or replace in a favorable or timely manner or at all. Any deterioration of the relationships with trade unions, works councils and other employee representative bodies could adversely impact the Daimler Truck Group’s business operations. The Group could face strikes or other types of conflicts with trade unions, works councils or its employees in the future. Any such strikes, conflicts, work stoppages or other industrial actions may disrupt the Group’s production and sales activities, damage its reputation and adversely affect its customer relations.

Competition for highly qualified employees and managers continues to be very fierce in the industry and the regions in which Daimler Truck operates. The future success of the Daimler Truck Group also depends on the extent to which it succeeds in recruiting, integrating and permanently retaining specialist staff. The established human resources instruments take such personnel risks into consideration. A particular focus of human resources management is the targeted personnel development and further training of the Company’s workforce. In order to remain successful as a company, we continuously develop the way we work together and optimize our management culture.

Demographic developments make it essential for the Group to deal with changes caused by a changing workforce and to secure a skilled new generation of specialists and future executives. Generation management addresses this by implementing measures that do justice to the scope of the issue. We counter economic, market and competitive fluctuations with the established time and flexibility instruments, enabling responses appropriate to the respective situation.

Efficiency improvements and cost savings are crucial for the Group to maintain its competitiveness and improve its profitability. Daimler Truck is in the midst of implementing a number of operational performance and cost-saving initiatives to reduce fixed and variable costs affecting profitability. These operational performance and cost-saving measures, or components thereof, may not deliver the intended benefits within the time the Group targets. This may result in implementation costs in excess of those originally budgeted by the Group and the actual results of the initiatives may differ from the targets. If the targeted operational performance and cost-saving measures are not fully realized or achieved within the intended time, this could have an adverse effect on the Group's profit margins. As part of the "Cost Down Europe" program, an evaluation process for implementing further restructuring and efficiency measures has been underway within Daimler Truck since January 2025. This could result in one-time costs, which would have an effect on the Group's results.

Risks and opportunities related to associated companies and joint ventures

Cooperation with partners in associated companies and joint ventures is of vital importance for Daimler Truck, in the transformation towards both CO_2e-neutral mobility and comprehensive digitalization. Particularly in the case of new technologies, associated companies and joint ventures can help boost synergy effects and improve cost structures in order to successfully face the competition in the commercial vehicle industry.

The Daimler Truck Group generally participates in the risks and opportunities of associated companies and joint ventures in line with its equity interest. It is also subject to share-price risks and opportunities if those companies are listed on the stock exchange.

The remeasurement of an interest in an associated company or joint venture can result in risks and opportunities related to the investment's carrying amount for the segment to which the associated company or joint venture belongs. Risks can also arise from ongoing business activities, especially through the integration of employees, technologies and products. The Group's business and legal interests may not always be aligned with those of its associated companies and joint ventures, and those companies may take actions that jeopardize the Group's reputation or expose it to legal liability. Any of the Group's current or future associated companies or joint ventures may also fail to be successful, achieve their planned objectives and meet their targeted timelines. In addition, further financial obligations or additional financing requirements could arise.

Associated companies are subject to a monitoring process so that, if necessary, decisions can be promptly made on whether or not measures should be taken to support or secure profitability. The recoverable amounts of investments in associated companies are also regularly monitored.

Daimler Truck is currently discussing the future of its China business with its partners. Depending on the outcome of the discussions, one-time effects could arise impacting the Group results.

Financial risks and opportunities

The following section deals with the financial risks and opportunities of the Daimler Truck Group.

Risks and opportunities can have a negative or positive effect on the Group's profitability, liquidity and capital resources, and financial position. The probability of occurrence and impact of these risks and opportunities are listed in table ↗ B.95.

In principle, the Group's operating and financial risk exposures, on which the financial risks and opportunities are based can be divided into symmetrical and asymmetrical risk and opportunity profiles. With the symmetrical risk and opportunity profiles (e.g., currency exposures), risks and opportunities are equally present, while with the asymmetrical profiles (e.g., credit and country exposures), the risks outweigh the opportunities.

Daimler Truck is fundamentally exposed to risks and opportunities arising from changes in market prices such as exchange rates, interest rates and commodity prices. Changes in market prices can have a negative or positive effect on the Group's profitability, financial and asset position.

Daimler Truck systematically controls and monitors market price risks and opportunities, primarily as part of its business operations and financing activities and applies derivative financial instruments for hedging purposes where necessary, thus limiting both market price risks and opportunities.

The Group is also exposed to credit, country and liquidity risks, and risks from changes in credit ratings. As part of the risk management process, Daimler Truck regularly assesses these risks by considering changes in key economic indicators and market information. Plan assets to cover pension and health care benefits (market-sensitive investments, including equity and interest-bearing securities) are not included in the following analysis.

Exchange rate risks and opportunities

The Group's global orientation means that its business operations and financial transactions are linked to risks and opportunities related to fluctuations in exchange rates.

This applies in particular to fluctuations in the US dollar, the British pound, the Australian dollar, the Japanese yen and other currencies, against the euro. An exchange rate risk or opportunity arises in business operations primarily when revenue is generated in a different currency from that of the related costs ("transaction risk").

While production costs are incurred primarily in US dollars, euros and yen, a portion of revenue is generated in other currencies. Daimler Truck is exposed to this type of transaction risk, but only to a lesser extent thanks to its global production network. Regularly updated currency risk exposures are successively hedged with suitable financial instruments (predominantly currency forwards) in accordance with exchange rate expectations, which are continually reviewed, limiting both risks and opportunities. Any overcollateralization caused by changes in exposure is generally resolved promptly using appropriate measures. There are also exchange rate risks and opportunities related to the translation of the net assets, income and expenses of companies of the Group outside the eurozone ("translation risk"), against which the Group generally does not hedge.

Interest rate risks and opportunities

Changes in interest rates can create risks and opportunities for both business operations and financial transactions. Daimler Truck employs a variety of interest rate-sensitive financial instruments to meet the liquidity requirements of its business operations on a day-to-day basis. Most of these financial instruments are linked to the financial services business of Financial Services. Interest rate risks and opportunities arise when fixed interest periods between the assets and liabilities side of the balance sheet are incongruent. By means of refinancing coordinated with the terms of the financing agreements, the risk of maturity mismatch is reduced from both an interest rate and a liquidity point of view. Remaining interest rate risks are managed through the use of derivative financial instruments. Measures for raising capital for the industrial and financial services businesses are coordinated centrally at Group level. Derivative interest rate instruments, such as interest rate swaps, are used to achieve the desired fixed interest rates and asset/liability structures ("asset and liability management").

Commodity price risks and opportunities

As described in the section on procurement market risks and opportunities, Daimler Truck is exposed to risks from changes in commodity prices. A small proportion of the commodity price risks, primarily from the planned purchase of certain metals, can be reduced through the use of derivative financial instruments.

Credit risks

Credit risk describes the risk of a financial loss resulting from a counterparty failing to meet its contractual payment obligations. Credit risk encompasses both the direct risk of default and the risk of a deterioration of creditworthiness as well as concentration risks.

The Group is subject to credit risks, which result primarily from the financial services business and the operations of the vehicle business. The risks from leasing and sales financing are addressed in the section on general market risks and opportunities.

Credit risks also arise from the Group's liquidity investments. Should payment defaults occur, this would adversely affect the Group's profitability, liquidity and capital resources, and financial position. The limit methodology for liquid investments with financial institutions has been continuously refined over the past few years. When making investment decisions, we prioritize the issuer's creditworthiness, as well as balanced risk diversification. The majority of liquid assets are held in investments with an external investment grade rating.

Country risks

Country risk describes the risk of a financial loss resulting from changes in political, economic, legal or social conditions in the respective country, for example due to sovereign measures such as expropriation or a ban on currency transfers. Daimler Truck is subject to country risks, which primarily result from cross-border financing or collateralization for Group companies or customers, from investments in subsidiaries or joint ventures, and from cross-border trade receivables.

Further information on country risks in the context of the disclosure of events after the reporting period can be found in Note 40. Events after the reporting period of the Notes to the Consolidated Financial Statements. In addition, country risks also arise from cross-border investments in financial institutions. The Group addresses these risks by setting country limits (e.g., for hard currency portfolios of Financial Services companies). The Group also has an internal rating system, in which all countries in which Daimler Truck operates are divided into risk classes.

Risks and opportunities from changes to credit ratings

Risks and opportunities exist in possible downgrades or upgrades to credit ratings assigned by the rating agencies to Daimler Truck Holding AG (and thus to the Group's creditworthiness) or to bonds issued or guaranteed by members of the Daimler Truck Group. Downgrades may adversely affect the Group's financing if they increase the cost of borrowing or limit the Group's financing options. In addition, downgrades may discourage investors from investing in Daimler Truck Holding AG.

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Financial risks and opportunities

Risk category	Probability of occurrence	Impact	Opportunity category	Probability of occurrence	Impact
Exchange rate risks	Low	Low	Exchange rate opportunities	Low	Low
Interest rate risks[1]	Low	Low	Interest rate opportunities[1]	Low	Low
Commodity price risks	Low	High	Commodity price opportunities	Low	Medium
Credit risks	Low	Low	Credit opportunities	–	–
Country risks	Low	Low	Country opportunities	–	–
Risks related to changes in credit ratings[1]	Low	Low	Opportunities related to changes in credit ratings[1]	Low	Low
Risks related to pension plans[1]	Low	Low	Opportunities related to pension plans[1]	Low	Low

1 The estimated impact of the risk/opportunity is not EBIT relevant.

Risks and opportunities relating to pension plans
Daimler Truck has defined benefit pension commitments and, to a small extent, additional obligations for healthcare benefits, which are largely covered by plan assets. The balance of pension obligations and plan assets constitutes the carrying amount or funded status for these employee benefit plans. The measurement of pension obligations and the calculation of net pension expense are based on assumptions. Even small changes in those assumptions, e.g. a change in the discount rate, have a negative or positive effect on the funded status and Group equity for the current financial year and, if they occur, lead to a change in the period-related net pension expense in the following financial year. The fair value of plan assets is largely determined by developments on the capital markets. Unfavorable or favorable developments, especially in shares and marketable debt securities, reduce or increase the carrying amount of plan assets. A change in the composition of plan assets can also have a positive or negative impact on their fair value. The broad diversification of investments, the selection of asset managers based on quantitative and qualitative analyses and the ongoing monitoring of returns and risk contribute to reducing the investment risk. The structure of pension obligations is taken into account when determining the investment strategy for plan assets in order to reduce fluctuations in the funded status.

Further information on the pension plans and their risks can be found in Note 23. Provisions for other risks of the Notes to the Consolidated Financial Statements. Additional information on financial risks, risk-limiting measures and the management of these risks can be found in Note 33. Management of financial risks of the Notes to the Consolidated Financial Statements. Information on the Group's financial instruments can be found in Note 32. Financial instruments of the Notes to the Consolidated Financial Statements.

Legal and tax risks and opportunities

The Group is also exposed to legal and tax risks. It recognizes provisions for these risks if and to the extent that those provisions are likely to be utilized and the amount of the obligations can be determined with sufficient accuracy.

Legal risks

Regulatory risks
The vehicle industry, and hence also the commercial vehicle industry is subject to extensive government regulations all over the world. Legislation in various jurisdictions regulates the occupant safety and environmental impact of trucks, buses and other vehicles, including emission levels, fuel economy, and noise levels, as well as the emissions of the factories in which the vehicles or parts thereof are manufactured. Failure to comply with relevant regulations in individual regions may result in significant penalties and reputational risks, as well as the non-approval of products in the affected markets.

To maintain high quality standards for its products and to comply with government-prescribed safety and other standards, the Group incurs substantial costs for monitoring, certification and quality assurance. Meeting government-mandated vehicle standards is costly and often technologically challenging, particularly where required standards conflict with one another. With the increasing complexity of commercial vehicles, also due to digitalization of components and their communication with each other, the risk of vehicle defects increases. The adoption of new technologies, many of which are still being refined for use in the transportation industry, including autonomous driving technologies and battery-electric vehicles, may increase the Group's exposure to vehicle defects and product liability. Applicable laws and governmental standards require manufacturers to take action to correct deficiencies related to vehicle safety and other standards, which may also result in recalls. Costs associated with delays in new model launches due to product defects and recall campaigns or warranty costs to remedy defects in vehicles that have been sold can be substantial.

Moreover, the Group must comply with a wide range of legal and regulatory requirements relating to anti-bribery and corruption, antitrust law, sanctions and export control, anti-money laundering and terrorist financing, product requirements, energy law, data protection, human rights and the handling of hazardous goods in connection with its global business activities. The Group has also been and may be the subject of governmental inquiries or investigations regarding its or its joint ventures' compliance or the compliance of its or its joint ventures' employees, consultants, agents or partners, including joint venture partners, with matters such as export controls, economic sanctions or other regulatory requirements. Violations of applicable legal regulations in any of these respects are subject to sanctions, such as regulatory fines or criminal consequences. In addition, any violation can lead to negative media coverage and affect the Group's reputation. In particular, as a result of the Russia-Ukraine War, comprehensive export controls and economic sanctions have been imposed on transactions with Russia and Russian entities and persons by the United States, the United Kingdom, the EU and countries around the world. These export controls and economic sanctions are constantly evolving and it is difficult for the Group to predict the interpretation, implementation or enforcement of governmental policies with respect to its or its joint ventures' activities. While the Group continuously reviews existing policies to ensure compliance with applicable laws and regulations, these policies may not be followed at all times and the Group's internal controls may not effectively detect and prevent violations by the Group or any of its employees, consultants, agents or partners, including joint venture partners. Furthermore, national laws applicable to the Group may be considered inconsistent with international norms by supranational authorities or courts. In such cases, the legal uncertainties resulting hereby create potential risks for the Group, which may affect its operational processes, reporting and other obligations.

Risks from legal proceedings
The subsidiaries of Daimler Truck Holding AG (especially Daimler Truck AG) are confronted with various legal proceedings, claims as well as governmental investigations and orders (legal proceedings) on a large number of topics. These include, for example, vehicle conformity and vehicle safety, dealer, supplier and other contractual relationships, financial services, industrial property rights (in particular patent infringement suits), warranty claims, export controls and economic sanctions and antitrust proceedings (including claims for damages). If the outcome of such legal proceedings is negative for the Daimler Truck Group or such proceedings are settled, the Group may be required to pay substantial compensatory and punitive damages or to undertake service actions, recall campaigns, monetary penalties or other costly actions. Legal proceedings and related settlements may have an impact on the Group's reputation.

Antitrust law proceedings (including actions for damages)
Mercedes-Benz Group AG (formerly Daimler AG), the former parent entity of Daimler Truck AG, was addressee of an antitrust proceeding initiated by the European Commission. In July 2016, the European Commission issued a settlement decision against Daimler AG and four other European truck manufacturers for their participation in anti-competitive behavior in violation of European antitrust rules with regard to pricing and passing on the costs of complying with stricter emission rules for trucks. The European Commission found that Daimler AG participated in the relevant arrangements from January 17, 1997 to January 18, 2011. The individual fine imposed on Daimler AG by the European Commission's settlement decision amounted to €1.09 billion and was fully paid in 2016.

Following the settlement decision by the European Commission, legal actions, class actions and other forms of legal redress for damages by direct and indirect truck customers have been filed or initiated in several jurisdictions. Damage claims could result in substantial liabilities for the Daimler Truck Group as well as significant costs expended for defense measures, which may have a material adverse effect on the Daimler Truck Group's operations and its liquidity and capital resources.

In relation to the cartel infringement described above, most substantial claims (including certain types of class actions or aggregator claims) are pending or have been initiated in Germany, the United Kingdom, the Netherlands, and Spain. Claims are also pending in certain other European countries and in Israel (in a total of approximately 20 countries).

The Daimler Truck Group takes appropriate legal remedies to defend itself and reflects the constantly evolving jurisprudence in its risk assessments and strategic decisions.

It cannot be ruled out that the regulatory risks and risks from legal proceedings discussed above, individually or in the aggregate, may materially adversely impact the profitability, liquidity and capital resources and financial position of the Group or any of its segments.

As legal proceedings are fraught with a large degree of uncertainty, it is possible that after their final resolution, some of the provisions that have been recognized for them could prove to be insufficient. As a result, substantial additional expenditures may arise. This also applies to legal proceedings for which the Group has seen no requirement to recognize a provision.

Although the final result of any such litigation may influence the Group's earnings and cash flows in any particular period, the Group believes that any resulting obligations are unlikely to have a sustained effect on the Daimler Truck Group's financial position.

Further information on legal proceedings is provided in Note 30. Legal proceedings of the Notes to the Consolidated Financial Statements.

Tax risks and opportunities

Daimler Truck Holding AG and its subsidiaries operate in many countries around the world and are therefore subject to numerous different statutory provisions and tax audits. Any changes in legislation and jurisdiction, as well as different interpretations of the law by the tax authorities – especially in the area of cross-border transactions – can lead to considerable uncertainty. It is therefore possible that the tax provisions and tax liabilities recognized may prove to be insufficient, which may have a negative impact on the Group's cash flow and net profit.

Positive effects on the Group's net profit and cash flow are also possible as a result of retroactive legislation, future court rulings or changes in the opinions of the tax authorities.

Any changes or interventions by the tax authorities are continuously monitored by the Tax department, and measures are taken if necessary.

In addition, if there is no or too little future taxable earnings, there is a risk that the tax benefit from loss carryforwards and tax-deductible temporary differences may not be recognized or may no longer be recognized in full, which could have a negative impact on net profit.

On the other hand, there is an accounting opportunity that tax benefits currently not recognized in full may be used or recognized in future years and could thus have a positive impact on the Group's net profit.

Overall assessment of the risk and opportunity situation

The overall picture of the Group’s risk and opportunity situation is made up of the described individual risks and opportunities for all risk and opportunity categories.

The financial year 2025 will continue to be subject to uncertainties resulting from the current geopolitical risk landscape and the potential impact of various global events on the Daimler Truck Group. In addition to the risk categories described above, there are unforeseeable events that could have a negative impact on business operations and thus on the profitability, liquidity and capital resources, and financial position of the Daimler Truck Group, as well as on the reputation of the Group. In particular, legal risks or violations by partners and suppliers can have a negative effect on the reputation of the Daimler Truck Group, the environment and the employees of partners and suppliers. As one of the basic principles of corporate activity, Daimler Truck therefore pays particular attention to compliance with legal and ethical rules – including when selecting partners and suppliers.

In order to recognize risks and opportunities at an early stage and to successfully deal with the current risk and opportunity situation, the established risk and opportunity management system is continuously monitored and further developed.

The overall estimated financial impact of the risks of the Daimler Truck Group increased compared to the prior year. A major driver is the increase of the legal and political framework risks, reflecting the geopolitical risk landscape and the possible spillover effects of different events around the globe on the Daimler Truck Group. Furthermore, the probability of occurrence for this category increased from low to medium.

The overall estimated financial impact of the opportunities of the Daimler Truck Group decreased compared to the prior year, reflecting the overall development of the international markets. Although general market opportunities continue to be high, the probability of occurrence decreased from medium to low. Furthermore, financial market opportunities decreased from high to medium.

Risks that, alone or in combination with other risks, could jeopardize the Group’s continued existence are reviewed regularly as part of the determination of risk-bearing capacity. No such risks were identified either on the balance sheet date nor at the time of preparation of the annual and consolidated financial statements.

Outlook

Our outlook for the 2025 financial year is based on the Daimler Truck Business Planning of Daimler Truck Holding AG approved by the Board of Management and Supervisory Board. This planning takes into account current business development as well as possible opportunities and risks, which are explained in detail in the Risk and Opportunity Report in the combined management report. The premises and assessments we have set regarding the overall economic conditions and the development of the commercial vehicle markets are taken into account. The estimates presented for the future course of business are based on the objectives of our segments. Against this background, we adjust our expectations for business performance in line with the current outlook regarding the development of the commercial vehicle markets. The statements made below are based on our level of knowledge at the time the combined management report 2024 was prepared.

The definition of the sensitivities for the qualitative-comparative description of changes in key figures (“on”, “slightly” and “significantly” above or below the prior-year level) can be found in chapter Performance measurement system of the combined management report.

Effective January 01, 2025, Daimler Truck integrated its businesses in China and India from the Trucks Asia segment into the Mercedes-Benz segment. This formed one global Mercedes-Benz Trucks segment. In addition, there were insignificant effects at Trucks North America and Daimler Buses arising from changes in allocations. The new allocations have no impact at the level of the Daimler Truck Group. The outlook and explanations for the 2025 financial year are based on the new segment composition described above.

As part of the “Cost Down Europe” program, an evaluation process for implementing further restructuring and efficiency measures has been underway within Daimler Truck since January 2025. The following outlook for the 2025 financial year does not take into account any potential effects resulting from this. In addition, the effects of additional import tariffs arising from the current political discussion or their impact on market demand are not reflected, as no reliable outlook is possible at this time. Depending on the outcome of the ongoing discussions with our partner on our China business, we expect further financial implications that are currently not included.

A comparison of the key figures of the outlook previously provided with the actual development in the 2024 financial year as well as the outlook for the 2025 financial year including the underlying base value for the 2024 financial year is shown in table ↗ **B.97** at the end of this chapter.

The outlook is particularly subject to further geopolitical developments and their impact on the global economy. The future development of inflation continues to determine the monetary policy environment and influence the decisions of central banks.

The world economy

We expect global economic growth in 2025 to develop similarly to that in the reporting year. However, geopolitical risks and increasing trade conflicts could have a negative impact on real economic development. According to our forecasts, the global economy will grow by 2.5% in 2025, putting it on its long-term growth path.

Economic output growth in the eurozone is likely to accelerate slightly in 2025 compared to the reporting year, although possible trade restrictions could weaken growth momentum. We anticipate a GDP increase of 1%. We expect the German economy to grow slightly (up to +0.5%). Further interest rate cuts by the ECB are likely in view of the expected stabilization of inflation. For 2025, our forecasts assume an average increase in consumer prices in the eurozone of up to 2.5%.

The economic outlook for the USA is subject to uncertainty. Import tariffs on goods from important trading partners could increase inflation again, making further interest rate cuts by the Fed less likely and slow down consumption. Overall, based on current information, we expect an average inflation rate of around 3.0% and growth of the US economy of up to 2.5%.

With growth of around 2.0%, the Brazilian economic output is expected to grow less strongly in 2025 than in the past year. We expect that China will continue to make an important contribution to global economic growth in 2025 (+4,0%). The overall economic development in Japan is likely to recover (+1.0%).

The commercial vehicle market

Against the backdrop of these difficult economic conditions, we currently expect the market volume for heavy duty trucks (“class 8”) in North America to be between 280 and 320 thousand units. The market for heavy duty trucks in the EU30 region (European Union, United Kingdom, Switzerland and Norway) is anticipated to have a volume of between 270 and 310 thousand units.

Unit sales

Based on our general assumptions about the global economy and the commercial vehicle markets that are important to us, we expect unit sales of between 460 and 480 thousand units for the Industrial Business.

In the **Trucks North America** segment, we expect unit sales to remain at the previous year's level in a corridor between 180 and 200 thousand units.

For the **Mercedes-Benz Trucks** segment, we expect unit sales of 160 to 180 thousand units.

In the **Trucks Asia** segment, we expect sales to be in a range of 95 to 115 units.

For the **Daimler Buses** segment, we forecast a sales corridor of between 25 and 30 thousand units.

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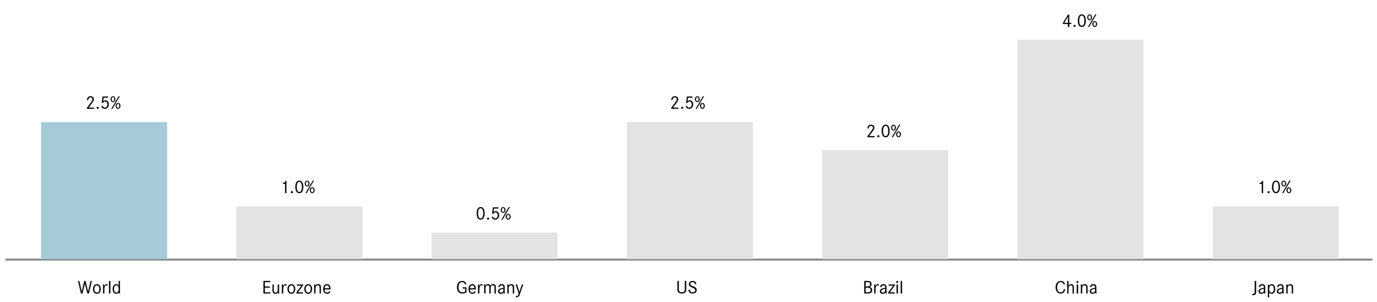
Expected economic growth for 2025



Revenue and EBIT

Based on the global economic development explained above, market developments and the plans of our segments, we expect the **Daimler Truck Group** adjusted EBIT to increase by between 5% and 15% in 2025.

For the **Industrial Business,** we expect revenue of between €52 and €54 billion and an adjusted return on sales of 8% to 10%.

For the **Trucks North America** segment, we expect an adjusted return on sales of 11% to 13%.

In the **Mercedes-Benz Trucks** segment, we forecast an adjusted return on sales of 5% to 7%.

In the **Trucks Asia** segment, we expect an adjusted return on sales in a range of 4% to 6%.

For the **Daimler Buses** segment, we forecast an adjusted return on sales of 8% to 10%.

For the **Financial Services** segment, we forecast an adjusted return on equity of 8% to 10%.

Free cash flow and Liquidity

Based on our revenue and earnings expectations for 2025, we plan to continue to invest heavily in transformation and thus in the attractiveness and future viability of our products and services. We expect the free cash flow of the Industrial Business to decline by between 10% and 25%.

For 2025, we are aiming for a liquidity level that is appropriate to the general risk situation on the financial markets and the risk profile of our Company. When measuring the amount of liquidity, possible risks in refinancing, for example due to temporary distortions on the financial markets, are also taken into account. We assume that we will have good access to the capital markets and the banking market in 2025. We want to cover our financial needs primarily through bonds, short-term bonds (commercial papers), bank loans and the securitization of receivables from financial services. The focus would be on bonds in the USD, CAD and EUR bond markets. In the markets relevant to us, refinancing conditions were stable in 2024. We expect this to continue in 2025. In addition, our goal is to continue to ensure a high level of financial flexibility.

Against the backdrop of the robust liquidity situation and the capital allocation framework presented in 2023, the Board of Management and Supervisory Board of Daimler Truck Holding AG decided on July 10, 2023 to implement a share buyback program. On this basis, treasury shares valued at up to €2.0 billion (excluding incidental acquisition costs) will be purchased on the stock exchange over a period of up to 24 months from August 02, 2023. As part of this share buyback program, a total of 41,178,246 treasury shares were repurchased for a total amount of €1,407 million by December 31, 2024, of which 23,509,721 shares with a total value of €850 million (including expenses for the implementation of the share buyback program) were repurchased in 2024. Further information on the share buyback program can be found in Note 20. Equity of the Notes to the Consolidated Financial Statements and at www.daimlertruck.com/en/investors/share/share-buyback.

Dividend

When determining the dividend, we base our calculations on a payout ratio of 40% to 60% of the consolidated profit attributable to Daimler Truck shareholders. In addition, we take the free cash flow of the Industrial Business into account.

According to the Stock Corporation Act (Aktiengesetz or AktG), the dividend is distributed from the distributable profit reported in the annual financial statements of Daimler Truck Holding AG in accordance with the German Commercial Code (Handelsgesetzbuch or HGB). The Board of Management and Supervisory Board will propose to the Annual General Meeting on May 27, 2025 to distribute a dividend of €1.90 per no-par-value share entitled to dividends for the 2024 financial year.

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Outlook key figures for Daimler Truck

	2023 Reported	2024 Outlook in 2023 Combined Management Report	2024 Outlook updated during the year	2024 Actual development	2024 Actual development new segment composition[1]	2025 Outlook[1]
Market for heavy duty trucks						
North America (in thousands of units)	331	280 to 320	–	308	–	**280 to 320**
EU30 (in thousands of units)	342	260 to 300	–	315	–	**270 to 310**
Group						
Revenue	€55.9 bn.	€55 bn. to €57 bn.	€53 bn. to €55 bn.	€54.1 bn.	–	–[2]
EBIT	€5.2 bn.	on prior year level	significant decrease	€3.6 bn. (-30.7%), significant decline	–	–[2]
Adjusted EBIT	€5.5 bn.	on prior year level	slight decrease	€4.7 bn. (-15.0%), slight decrease	–	**increase between 5% and 15%**
Sum of investments in property, plant and equipment and research and development expenditure	€3.0 bn. (€1.0 bn and €2.0 bn)	slight increase	–	€3.5 bn. (+16.6%), significant increase (€1.4 bn. and €2.0 bn.)	–	–[2]
Industrial Business						
Unit sales (in thousands of units)	526	490 to 510	460 to 480	460	–	**460 to 480**
Revenue	€53.2 bn.	€52 bn. to €54 bn.	€50 bn. to €52 bn.	€50.7 bn.	–	**€52 bn. to €54 bn.**
Adjusted return on sales	9.9%	9% to 10.5%	8 % to 9.5%	8.9%	–	**8 % to 10%**
Free cash flow	€2.8 bn.	slight increase	on prior year level	€3.2 bn. (+12.1%), slight increase	–	**decrease between 10% and 25%**
Trucks North America						
Unit sales (in thousands of units)	195	180 to 200	–	190	191	**180 to 200**
Adjusted return on sales	12.3%	11% to 13%	–	12.9%	12.9%	**11% to 13%**
Mercedes-Benz Trucks						
Unit sales (in thousands of units)	159	140 to 160	120 to 135	126	160	**160 to 180**
Adjusted return on sales	10.2%	8.5% bis 10.5%	6% to 8%	7.5%	6.4%	**5% to 7%**
Trucks Asia						
Unit sales (in thousands of units)	161	130 to 150	120 to 140	125	103	**95 to 115**
Adjusted return on sales	4.7%	3% to 5%	1.5% to 3.5%	1.7%	4.6%	**4% to 6%**
Daimler Buses						
Unit sales (in thousands of units)	26	23 to 28	–	27	27	**25 to 30**
Adjusted return on sales	4.7%	5% to 7%	6.5% to 8.5%	8.3%	8.3%	**8% to 10%**
Financial Services						
New business	€11.3 bn.	€11 bn. to €13 bn.	€10 bn. to €12 bn.	€11.4 bn.	–	–[2]
Adjusted return on equity	9.1%	9% to 11%	6% to 8%	5.0%	–	**8% to 10%**

1 As of January 01, 2025, Daimler Truck integrated its business in China and India into the Mercedes-Benz Trucks segment. The outlook for the 2025 financial year and the adjusted year-on-year comparison are based on the new segment composition. Potential effects resulting from the “Cost Down Europe” program and from additional import tariffs arising from the current political discussion or their impact on market demand are not taken into account in the outlook. Depending on the outcome of the ongoing discussions with our partner on our China business, we expect further financial implications that are currently not included.

2 Starting with the 2025 financial year, we will no longer provide an outlook for revenue and EBIT at Group level, nor a voluntary outlook for capital expenditure on property, plant and equipment and research and development spending. For Financial Services, we will also no longer provide a voluntarily outlook for new business.

Overall statement on future development

The year 2025 will continue to be characterized by geopolitical risks, such as uncertainties related to the Russia-Ukraine war and the development of world trade. At the same time, the further development of the existing product portfolio, increasing digitalization and the necessary transformation to a CO_2e-neutral future require high investments.

Our assumptions for 2025 assume that current geopolitical risks do not have any additional negative effects on the global economy. Trade conflicts could slow global growth and accelerate inflation again.

Against this background and based on the brand strength and innovative power of our Company, we expect a similar overall picture for 2025 compared to 2024, assuming an increase in market demand in the second half of 2025.

References made in this combined management report
Insofar as the references made in this Management Report relate to parts of the Annual Report that were not included in the external audit (parts outside the company and consolidated financial statements and the combined management report), or to the Daimler Truck website or to other reports or documents, these were also not part of the external audit. References to further information on the Internet are indicated with the following symbol: 🌐.

Terminology
This document contains terms such as “zero-emission (heavy-duty) vehicle” (abbreviated “ZEV”, “zero-emission vehicle”), “CO_2e”, “CO_2e-neutral”, “CO_2e-neutral on the balance sheet” and “locally CO_2e-free” or “CO_2e-free in driving operation”. A “zero-emission heavy-duty vehicle” is according to Article 3 point (11) (a) of the Regulation (EU) 2024/1610 a vehicle without an internal combustion engine or with an internal combustion engine with emissions of no more than 3 g CO_2/(tkm) or 1 g CO_2/(pkm). “CO_2e” stands for carbon dioxide equivalent and refers to the total amount of greenhouse gases released by a particular activity or process. It takes into account not only carbon dioxide, but also other greenhouse gases such as methane (CH_4), nitrous oxide (N_2O) and ozone (O_3) by relating their climate impact to CO_2. Since these gases have different effects on the climate, CO_2e enables a holistic view of the climate effect of a particular activity. “CO_2e-neutral” means that CO_2e emissions released into the atmosphere by a company’s activities are offset by a corresponding amount of CO_2e. Offsetting can be achieved through various measures: reducing emissions, reducing energy consumption, switching to renewable energies, etc., or by storing or absorbing CO_2. “CO_2e-neutral on the balance sheet” means that CO_2e emissions released are offset by compensation certificates and related projects. “Locally CO_2e-free” or “CO_2e-free in driving operation” means that no carbon or carbon dioxide equivalents (CO_2e) is emitted from the vehicle into the immediate surroundings while driving. Unless otherwise indicated, the same understanding of terms is used in each case throughout the entire document.

Consolidated Financial Statements

Consolidated Statement of Income

C.01

	Note	2024	2023
In millions of euros			
Revenue	4	54,077	55,890
Cost of sales	5	-42,879	-43,968
Gross profit		11,198	11,922
Selling expenses	5	-3,009	-2,890
General administrative expenses	5	-2,582	-2,413
Research and non-capitalized development costs	5	-1,671	-1,757
Other operating income	6	696	664
Other operating expense	6	-417	-101
Profit/loss on equity-method investments, net	13	-603	-109
Other financial income/expense, net	7	-19	-132
Earnings before interest and taxes (EBIT)	34	3,592	5,183
Interest income	8	430	384
Interest expense	8	-220	-241
Profit before income taxes		3,802	5,327
Income taxes	9	-736	-1,355
Net profit		3,066	3,971
thereof profit attributable to non-controlling interests		166	196
thereof profit attributable to shareholders		2,900	3,775
Earnings per share[1] (in euros) for profit attributable to shareholders	36		
Basic and diluted		3.64	4.62

1 For information on the weighted average number of shares used in the earnings per share calculation, refer to Note 20. Equity.

Consolidated Statement of Comprehensive Income[1]

C.02

	2024	2023
In millions of euros		
Net profit	**3,066**	3,971
Currency translation adjustments	-237	-481
Debt instruments		
Unrealized gains/losses (pre-tax)	-1	2
Taxes on unrealized gains/losses and on reclassifications	-1	–
Debt instruments (after tax)	-2	2
Derivative financial instruments		
Unrealized gains/losses (pre-tax)	-68	-118
Reclassifications to profit or loss (pre-tax)	-14	1
Taxes on unrealized gains/losses and on reclassifications	22	31
Derivative financial instruments (after tax)	-61	-87
Items that may be reclassified to profit/loss	**-300**	-566
Equity instruments		
Unrealized gains/losses (pre-tax)	-6	-1
Reclassifications to profit or loss (pre-tax)	-8	–
Taxes on unrealized gains/losses and on reclassifications	1	-3
Equity instruments (after tax)	-13	-4
Actuarial gains/losses from pensions and similar obligations		
Actuarial gains/losses from pensions and similar obligations (pre-tax)	190	-50
Taxes on actuarial gains/losses from pensions and similar obligations	-50	-2
Actuarial gains/losses from pensions and similar obligations (after tax)	140	-52
Items that will not be reclassified to profit/loss	**127**	-57
Other comprehensive income/loss, net of taxes	**-173**	-622
thereof loss attributable to non-controlling interests, net of taxes	-9	-25
thereof income/loss attributable to shareholders, net of taxes	-164	-597
Total comprehensive income	**2,893**	3,349
thereof income attributable to non-controlling interests	157	171
thereof income attributable to shareholders	2,736	3,178

1 Refer to Note 20. Equity for further information on the Consolidated Statement of Comprehensive Income.

Consolidated Statement of Financial Position

C.03

In millions of euros	Note	At December 31, 2024	2023
Assets			
Intangible assets	10	3,209	2,876
Property, plant and equipment	11	8,413	7,979
Equipment on operating leases	12	4,381	4,530
Equity-method investments	13	812	1,051
Receivables from financial services	14	14,763	14,067
Marketable debt securities and similar investments	15	91	57
Other financial assets	16	732	823
Deferred tax assets	9	2,557	1,873
Long-term trade receivables	19	28	17
Other assets	17	414	385
Total non-current assets		35,399	33,658
Inventories	18	9,012	9,155
Trade receivables	19	4,298	5,245
Receivables from financial services	14	14,130	12,147
Cash and cash equivalents		6,553	7,067
Marketable debt securities and similar investments	15	2,185	1,751
Other financial assets	16	688	678
Other assets	17	1,590	1,511
Total current assets		38,455	37,554
Total assets		73,854	71,212

In millions of euros	Note	At December 31, 2024	2023
Equity and liabilities			
Share capital		792	823
Capital reserves		14,308	14,277
Retained earnings		9,211	8,501
Other reserves		-2,105	-1,995
Equity attributable to shareholders		22,205	21,605
Non-controlling interests		645	620
Total equity	20	22,850	22,224
Provisions for pensions and similar obligations	22	1,149	1,212
Provisions for other risks	23	2,939	2,784
Financing liabilities	24	18,373	17,125
Other financial liabilities	25	1,678	1,814
Deferred tax liabilities	9	28	40
Deferred income	26	817	984
Contract and refund liabilities	27	2,273	2,106
Other liabilities	28	144	107
Total non-current liabilities		27,401	26,171
Trade payables		4,629	5,059
Provisions for other risks	23	2,580	2,520
Financing liabilities	24	10,293	8,602
Other financial liabilities	25	2,727	2,870
Deferred income	26	454	522
Contract and refund liabilities	27	2,053	2,169
Other liabilities	28	867	1,076
Total current liabilities		23,603	22,817
Total equity and liabilities		73,854	71,212

Consolidated Statement of Cash Flows[1]

C.04

In millions of euros	2024	2023
Profit before income taxes	3,802	5,327
Depreciation and amortization/impairments	1,153	1,133
Other non-cash expense and income	657	101
Gains (-)/losses (+) on disposals of assets	-20	-13
Change in operating assets and liabilities		
Inventories	179	-550
Trade receivables	870	-660
Trade payables	-464	-112
Receivables from financial services	-2,770	-4,097
Vehicles on operating leases	141	-160
Other operating assets and liabilities	-397	816
Dividends received from equity-method investments	11	16
Income taxes paid	-1,607	-1,415
Cash flows from operating activities	1,555	386
Additions to property, plant and equipment	-1,417	-1,026
Additions to intangible assets	-459	-280
Proceeds from disposals of property, plant and equipment and intangible assets	117	70
Proceeds from disposals of shareholdings	64	–
Investments in other shareholdings	-388	-206
Acquisition of marketable debt securities and similar investments	-2,682	-3,077
Proceeds from sales of marketable debt securities and similar investments	2,374	2,459
Other	-160	-23
Cash flows from investing activities	-2,552	-2,082
Change in short-term financing liabilities	802	710
Additions to long-term financing liabilities	10,417	12,557
Repayment of long-term financing liabilities	-8,310	-8,613
Dividend paid to shareholders of Daimler Truck Holding AG	-1,528	-1,070
Dividends paid to non-controlling interests	-128	-97
Acquisition of treasury shares	-850	-557
Cash flows from financing activities	403	2,931
Effect of foreign exchange rate changes on cash and cash equivalents	80	-113
Net increase in cash and cash equivalents	-514	1,123
Cash and cash equivalents at beginning of period	7,067	5,944
Cash and cash equivalents at end of period	6,553	7,067

1 Refer to Note 29. Consolidated Statement of Cash Flows for further information on the Consolidated Statement of Cash Flows.

Consolidated Statement of Changes in Equity[1]

C.05

				Other reserves						
	Share capital	Capital reserve	Retained earnings[2]	Currency translation	Equity instruments/ debt instruments	Derivative financial instruments	Treasury shares	**Equity attributable to shareholders**	Non-controlling interests	**Total equity**
In millions of euros										
Balance at January 01, 2023	823	14,277	5,847	-1,020	3	122	–	20,052	554	20,606
Net profit	–	–	3,775	–	–	–	–	3,775	196	3,971
Other comprehensive income after taxes	–	–	-52	-456	-3	-86	–	-597	-25	-622
Total comprehensive income	–	–	3,723	-456	-3	-86	–	3,178	171	3,349
Dividends	–	–	-1,070	–	–	–	–	-1,070	-97	-1,167
Acquisition of treasury shares	–	–	-103	–	–	–	-557	-660	–	-660
Other changes	–	–	104	–	–	–	–	104	-8	96
Balance at December 31, 2023	**823**	**14,277**	**8,501**	**-1,476**	**–**	**36**	**-557**	**21,605**	**620**	**22,224**
Balance at January 01, 2024	**823**	**14,277**	**8,501**	**-1,476**	**–**	**36**	**-557**	**21,605**	**620**	**22,224**
Net profit	**–**	**–**	**2,900**	**–**	**–**	**–**	**–**	**2,900**	**166**	**3,066**
Other comprehensive income after taxes	**–**	**–**	**141**	**-228**	**-16**	**-62**	**–**	**-165**	**-9**	**-173**
Total comprehensive income	**–**	**–**	**3,041**	**-228**	**-16**	**-62**	**–**	**2,736**	**157**	**2,893**
Dividends	**–**	**–**	**-1,528**	**–**	**–**	**–**	**–**	**-1,528**	**-147**	**-1,675**
Acquisition of treasury shares	**–**	**–**	**77**	**–**	**–**	**–**	**-850**	**-773**	**–**	**-773**
Cancellation of treasury shares	**–**	**–**	**-1,047**	**–**	**–**	**–**	**1,047**	**–**	**–**	**–**
Capital Reduction	**31**	**-31**	**–**	**–**	**–**		**–**	**–**	**–**	**–**
Other changes	**–**	**–**	**167**	**–**	**–**	**–**	**–**	**167**	**15**	**182**
Balance at December 31, 2024	**792**	**14,308**	**9,211**	**-1,703**	**-16**	**-26**	**-360**	**22,205**	**645**	**22,850**

1 Refer to Note 20. Equity for further information on changes in equity.
2 Retained earnings also include items that will not be reclassified to the Consolidated Statement of Income.

The accompanying notes are an integral part of these Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

1. General information and material accounting policies

General information
The accompanying consolidated financial statements of Daimler Truck Holding AG (the Consolidated Financial Statements) have been prepared in accordance with Section 315e of the German Commercial Code (Handelsgesetzbuch or HGB) and comply with the International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee as adopted by the European Union (EU).

The Consolidated Financial Statements present the operations of Daimler Truck Holding AG (DTHAG) and its subsidiaries (also referred to as "Daimler Truck", the "Daimler Truck Group" or the "Group").

Daimler Truck Holding AG is a stock corporation organized under the laws of the Federal Republic of Germany. The Company is domiciled in Stuttgart and entered in the Commercial Register of the District Court of Stuttgart under No. HRB 778600 with its business address at Fasanenweg 10, 70771 Leinfelden-Echterdingen, Germany.

The Daimler Truck Group is a manufacturer of commercial vehicles with a worldwide product range of trucks and buses. Financial services relating to these products complement the offering. Daimler Truck Holding AG is the parent company of the Daimler Truck Group.

The commercial vehicle business comprises four vehicle segments (refer to Note 34. Segment reporting) which produce trucks, buses and engines, and provide related services as well as manufacture and market brand-specific products. Other business activities and investments, as well as functions and services provided by the Group's headquarters and other Group companies that are not allocated to the vehicle segments, as well as centrally managed projects, are reported under reconciliation in the segment reporting. The vehicle segments and reconciliation, together, are referred to as the "Industrial Business." All related financial services activities, which constitute an additional segment, are referred to as "Financial Services".

The Consolidated Financial Statements comprise the Consolidated Statement of Income, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and the Notes to the Consolidated Financial Statements, prepared on a going concern basis.

The Consolidated Financial Statements are presented in euros. Amounts are stated in millions of euros, except where otherwise indicated. Rounding differences may arise when individual amounts or percentages are added together.

The Consolidated Financial Statements were presented to and approved for publication by the Board of Management of Daimler Truck Holding AG on March 13, 2025.

Accounting policies

IFRS applied
The Consolidated Financial Statements as of December 31, 2024 have been prepared in accordance with the IFRS applicable for periods beginning on or after January 01, 2024. The accounting policies applied in the Consolidated Financial Statements therefore comply with the IFRS applicable in the EU as of December 31, 2024 for all periods presented.

IFRS issued, endorsed by the EU and adopted in the reporting period for the first time
On May 16, 2024, the IASB published amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures", which provide for additional disclosure requirements for companies regarding supplier financing. The changes are mandatory for the first time for reporting periods beginning on or after January 01, 2024. Daimler Truck is affected by these disclosure requirements and includes the new requirements in the notes.

No further new standards or other amendments and improvements to standards have been adopted that are mandatory for financial years beginning on January 01, 2024 which are expected to have a material impact on the profitability, liquidity and capital resources and financial position of the Group.

IFRS issued, but not yet adopted
In April 2024, the IASB published the new IFRS 18 "Presentation and Disclosures in Financial Statements", which is mandatory for all annual reporting periods beginning on or after January 01, 2027. The new IFRS Standard aims to improve corporate reporting, in particular to better present enterprise performance compared to IAS 1, and is characterized by significant changes in the income statement and adjustments to IAS 7 in the statement of cash flows. Daimler Truck will apply the new standard for the first time at its mandatory application date from January 01, 2027. As retrospective application is mandatory, the comparative information for 2026 will also be adjusted in accordance with IFRS 18. Daimler Truck is affected by these disclosure requirements and will include the new requirements in the notes.

On May 30, 2024, the IASB published targeted amendments to IFRS 9 and IFRS 7 "classification and measurement of financial instruments", which are mandatory and applicable for the first time in annual reporting periods beginning on or after January 01, 2026. The necessity arose from practical issues and mainly addresses the classification of financial assets, the derecognition of a financial liability fulfilled by electronic payment transactions, and disclosures on equity instruments measured at fair value through other comprehensive income.

The International Accounting Standards Board has issued further amendments and improvements to standards, which are partially endorsed and not yet applied and which are not expected to have a material impact on the Group's profitability, liquidity and capital resources and financial position.

Presentation

Consolidated Statement of Financial Position
The presentation in the Consolidated Statement of Financial Position differentiates between current and non-current assets and liabilities. Assets and liabilities are generally classified as current if they are expected to be realized or fall due within one year. Deferred tax assets and liabilities as well as assets and provisions for pensions and similar obligations are generally presented as non-current items.

Consolidated Statement of Income
The Consolidated Statement of Income is presented using the cost-of-sales method.

Measurement
The Consolidated Financial Statements have been prepared on the historical-cost basis with the exception of certain items such as financial assets measured at fair value through profit or loss, derivative financial instruments, hedged items, and pensions and similar obligations. The measurement models applied to those exceptions are described below.

Principles of consolidation
The Consolidated Financial Statements include the financial statements of Daimler Truck Holding AG and the financial statements of all subsidiaries, including structured entities, which are directly or indirectly controlled by Daimler Truck Holding AG.

If subsidiaries are not consolidated for reasons of materiality, the shares in these companies are valued at amortized costs. The materiality assessment is carried out on the basis of sales, earnings and total assets. The financial statements of consolidated subsidiaries which are included in the Consolidated Financial Statements are prepared as at the reporting date of the Consolidated Financial Statements.

Investments in associated companies, joint ventures or joint operations
Joint operations that have no significant impact on the Consolidated Financial Statements are generally accounted for using the equity method.

Entities measured at amortized cost
Subsidiaries, associated companies, joint ventures and joint operations whose business are dormant or due to their minimal business activities, both individually and collectively, are not material for the Group and for conveying a true and fair view of the profitability, liquidity and capital resources and financial position, are generally measured at amortized cost in the Consolidated Financial Statements.

Foreign currency translation
Assets and liabilities of foreign companies for which the functional currency is not the euro are translated into euros using period-end exchange rates. Any resulting translation differences are recognized in other comprehensive income. The components of equity are translated using historical exchange rates. The Consolidated Statement of Income and the Consolidated Statement of Cash Flows are translated into euros using the average exchange rates for the quarters of the respective year.

The exchange rates of the US dollar, the Brazilian real, and the Japanese yen – the most significant foreign currencies for the Daimler Truck Group – are as shown in table ↗ C.06.

C.06
Exchange rates

	December 31, 2024			December 31, 2023		
	USD	BRL	JPY	USD	BRL	JPY
	€1 =	€1 =	€1 =	€1 =	€1 =	€1 =
First quarter	1.0858	5.3752	161.1500	1.0730	5.5750	141.9800
Second quarter	1.0767	5.6092	167.7700	1.0887	5.3859	149.7200
Third quarter	1.0983	6.0902	163.9500	1.0884	5.3109	157.2500
Fourth quarter	1.0681	6.2198	162.5500	1.0751	5.3294	159.1200
Spot exchange rate	1.0389	6.4253	163.0600	1.1050	5.3618	156.3300

Hyperinflation
To determine whether a country is to be considered as in a hyperinflationary economy, the Daimler Truck Group refers to the list published by the International Practices Task Force (IPTF), the Center for Audit Quality and other relevant international publications. If a country is considered as hyperinflationary, IAS 29 “Financial Reporting in Hyperinflationary Economies” has to be applied from the beginning of the respective reporting period, i.e. from January 01 of the respective reporting year.

Argentina and Türkiye are classified as hyperinflationary countries. The activities of the Daimler Truck Group in both countries are recognized in accordance with IAS 29 if the functional currency is the local currency. The accounting impact is included in retained earnings within “Other” in the Consolidated Statement of Changes in Equity.

Revenue recognition
When selling new and used vehicles, spare parts and other related products, control is regularly transferred to the customer upon delivery. At that point in time, invoicing and revenue recognition take place. The payments from the sales of new and used vehicles, spare parts and other related products are usually due immediately or within a short payment period.

Dealers may finance their vehicle inventory by means of dealer inventory financing provided by Financial Services, as described in Note 34. Segment reporting. Furthermore, end-customers may be able to obtain financing in the form of a loan via Financial Services. Receivables from sales financing with end-customers and dealers are presented in receivables from financial services. Further information is provided in Note 14. Receivables from financial services.

Revenue recognition from the sale of vehicles for which the Group enters into a repurchase obligation is dependent on the form of the repurchase agreement. Explanations can be found under “Daimler Truck Group as a lessor.”

Agreements in which the Daimler Truck Group guarantees its customer a minimum sales value that the customer will realize upon sale (residual value guarantee) do not constrain the customer's ability to determine the use of the asset and essentially derive the remaining benefit from it. At contract inception of a sale with a residual value guarantee, revenue is therefore recognized which must be reduced by the necessary accrual for the potential compensation payment to the customer.

Under a contract manufacturing agreement, the Daimler Truck Group sells assets to a third party service provider from which the Daimler Truck Group buys back the manufactured products after completion of the commissioned work. If the sale of the assets is not accompanied by the transfer of control to the third party service provider, no revenue is recognized under IFRS 15 “Revenue from Contracts with Customers”.

The Group offers extended, separately invoiced warranties for certain products as well as service and maintenance contracts. Revenue from these contracts is deferred insofar as a customer has made an advance payment and is generally recognized over the contract period in proportion to the costs expected to be incurred based on historical information. A loss on these contracts is recognized in the current financial year if the expected costs for outstanding services under the contract exceed unearned revenue. Usually, those contracts are paid in advance or in equal installments over the contract term.

For multiple-element arrangements, such as when vehicles are sold with free or reduced-in-price maintenance programs or with free online services, the Group generally allocates revenue to the various elements based on their estimated relative stand-alone selling prices. To determine stand-alone selling prices, the Daimler Truck Group primarily uses price lists taking into account average discounts granted to its customers.

Vehicles may be initially sold to non-Group dealers. Subsequently, a customer may decide to enter into a leasing contract with Financial Services regarding such a vehicle. The vehicle is therefore sold by the non-Group dealer to Financial Services and a leasing contract is entered into with the customer. When control of the vehicle is transferred to the non-Group dealer, the Daimler Truck Group recognizes revenue from the sale of the vehicle.

The incremental cost of obtaining contracts is recognized as an expense when incurred if the amortization period would not exceed one year.

The Daimler Truck Group does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the period between the transfer of a promised good or service to a customer and payment by the customer will be no longer than one year.

Revenue also includes revenue from the rental and leasing business as well as interest from the Financial Services business. Revenue generated from operating leases is recognized on a straight-line basis over the term of the contracts. Revenue is also generated at the end of lease contracts from the subsequent sale of the vehicles. Revenue from receivables from financial services is recognized using the effective interest method. Revenue from the sale of carbon credits to other manufacturers is recognized at the time control of the regulatory credits is transferred to the purchasing party. Payment is typically received within a short payment period.

Depending on different market conditions in individual countries, the respective product life cycles and product-dependent factors (such as the level of discounts offered by competitors, overcapacity, competitive intensity and customer demand behavior), the Daimler Truck Group uses various programs to promote sales. The programs include financial incentives for dealers and customers as well as lease subsidies or loans at reduced interest rates, which are reported as follows:

- Revenue is recognized net of sales reductions such as cash discounts and sales incentives granted.
- When loans are issued below market interest rates, the related receivables are recognized at present value (using market rates) and revenue is reduced by the interest incentive granted.
- If subsidized leasing fees are agreed upon in connection with finance leases, revenue from the sale of a vehicle is reduced by the amount of the interest incentive granted.

Government grants
Government grants related to assets are deducted from the carrying amount of the asset and are recognized in earnings over the life of a depreciable asset as a reduced depreciation expense. Government grants which compensate the Group for expenses are recognized in the Consolidated Statement of Income as other operating income in the period in which the expenses to be compensated are incurred.

Profit/loss on equity-method investments, net
This item includes all income and expenses in connection with investments accounted for using the equity method. In addition to pro rata profits and losses from financial investments, it also includes profits and losses resulting from the sale of equity interests or the remeasurement of equity interests following a loss of significant influence or joint control. This item also includes impairment losses and/or gains on the reversal of such impairments of equity-method investments.

Other financial income/expense, net
Other financial income/expense, net includes all income and expense from financial transactions which are included neither in interest income nor in interest expense or, in the case of the Financial Services segment, neither in revenue nor in cost of sales. For example, the expense from the compounding of interest on provisions for other risks is recognized in this line item.

Furthermore, income and expenses from equity interests are included in the other financial income/expense, net, to the extent that they are not reported in the Profit/loss on equity-method investments, net.

Interest income and interest expense
Interest income and interest expense include interest income from investments in securities and from cash and cash equivalents as well as interest expense from liabilities. Furthermore, interest and changes in fair values related to interest rate hedging activities as well as income and expense resulting from the allocation of premiums and discounts are included. The interest components of defined benefit pension obligations and other similar obligations as well as of the plan assets available to cover these obligations and interest on supplementary income tax payments or reimbursements are also presented in this line item.

For the Financial Services segment, interest income and expense and gains or losses from derivative financial instruments related to the financial services business are disclosed under revenue and cost of sales respectively.

Income taxes
The Group has determined that interest and penalties on income taxes, including uncertain income tax items, do not meet the definition of income taxes and are therefore recognized in accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”.

Furthermore, the Group has determined that the global minimum top-up tax, which will be levied from 2024 in accordance with Pillar Two regulations, is an income tax in the scope of IAS 12. The Group has applied the temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Intangible assets
Intangible assets are measured at acquisition or production cost less accumulated amortization. If necessary, accumulated impairment losses are recognized.

Development costs for vehicles and components are capitalized if the conditions according to IAS 38 “Intangible Assets” are fulfilled. Capitalized development costs include all direct individual costs as well as proportionately attributable overheads and are amortized on a straight-line basis over the expected product life (in general with a maximum amortization period of ten years). Capitalized development costs for which the projects have not yet been completed are only impaired if the project is either canceled or as a result of the annual impairment test, performed at the CGU level. Amortization of capitalized development costs is an element of manufacturing costs and is allocated to those vehicles and components for which they were generated. When inventories or vehicles are sold, they are taken into account in the cost of sales.

Other intangible assets with finite useful lives are generally amortized on a straight-line basis over their useful lives (three to ten years).

If goodwill arises in the course of a company acquisition, the full goodwill method is used. Non-controlling interests are recognized at the corresponding share of the identifiable net assets measured at fair value.

Property, plant and equipment
Property, plant and equipment are recognized at acquisition or manufacturing costs less accumulated depreciation. If necessary, accumulated impairment losses are recognized.

The costs of internally produced equipment and facilities include all direct individual costs and proportionately attributable overheads. Acquisition or manufacturing costs include estimated costs, if any, of dismantling, restoration and removals.

Daimler Truck generally uses the straight-line method of depreciation. Depreciation must be charged pro rata temporis. Straight-line depreciation results in a constant charge over the useful life if the asset's residual value does not change. Property, plant and equipment are depreciated over the useful lives as shown in table ↗ C.07.

C.07
Useful lives of property, plant and equipment

Buildings[1]	10 to 50 years
Leasehold improvements	Period of the lease
Technical equipment and machinery	5 to 25 years
Other equipment, factory and office equipment	3 to 30 years

1 Buildings include any related improvements.

Leasing

Daimler Truck Group as lessee
Leases with Daimler Truck as lessee include, in the main, leases for real-estate. For these leases, right-of-use assets and lease liabilities for the outstanding lease payments are recognized. Right-of-use assets are reported under property, plant and equipment and the lease liabilities under financing liabilities. However, according to IFRS 16 "Leases", a lessee may elect, for leases with a lease term of twelve months or less (short-term leases) and for leases for which the underlying asset is of low value, not to recognize a right-of-use asset and a lease liability. The Daimler Truck Group makes use of these exemptions. The lease payments associated with those leases are primarily recognized as an expense on a straight-line basis over the lease term.

For contracts that contain non-leasing components in addition to leasing components, the option of not separating these components is generally used with regard to the relevant lease payments.

The Daimler Truck Group generally uses its incremental borrowing rate to discount leasing payments. This incremental borrowing rate as a risk-adjusted interest rate is derived for specific terms and currencies. The difference with regard to the different payment schedules of the reference interest rates (bullet bonds) and the leases (annuity) is taken into account by means of a duration adjustment.

According to IFRS 16, the depreciation of right-of-use assets is recognized within functional costs. The interest due on the lease liability is a component of interest expense.

A number of leases, particularly for real-estate, contain extension and termination provisions. When determining the term of the lease, all facts and circumstances that indicate an economic incentive to exercise extension or not exercise termination options are taken into account. In determining the lease term, such options are only considered if they are sufficiently certain.

Daimler Truck Group as lessor
Daimler Truck, as a lessor, leases its Group products to customers. Based on the risk and rewards associated with a leased asset, it is assessed whether economic ownership of the leased asset is transferred to the lessee (finance leases) or remains with the lessor (operating leases).

Operating leases, i.e. by which economic ownership of the vehicle remains with the Daimler Truck Group, relate to vehicles that the Group produces itself and leases to third-parties. Additionally, an operating lease may have to be recognized when vehicles are sold for which the Group enters into a repurchase obligation:

- Sales of vehicles where the Daimler Truck Group is obliged to repurchase the vehicles in the future are accounted for as operating leases. This also applies to a purchase option that merely grants the Daimler Truck Group the right to repurchase the asset.

- Sales of vehicles including a put option, where the customer can demand the repurchase of the vehicles from the company, are recognized as operating leases if the customer has a significant economic incentive to exercise that right at contract inception. Otherwise, a sale with a right of return is recognized. The Daimler Truck Group considers several factors when assessing whether a customer has a significant economic incentive to exercise his right. These include the relationship between the agreed repurchase price and the expected future market value at the time of repurchase of the asset or historical return rates.

For operating leases in particular, certain assumptions are regularly made as part of the residual value management process, at local and central level, about the expected price level at which the returns from leasing transactions are measured. If there is a negative deviation from assumptions due to changing market developments, there is a risk of lower residual vehicle values. Depending on the region and the current market situation, the measures taken generally include continuous market monitoring and, if necessary, pricing strategies or sales-promotion measures designed to regulate vehicle inventories. The quality of market forecasts is verified by regular comparisons with internal and external sources, and, if required, the determination of residual values is adjusted and further developed regarding methods, processes and systems.

When accounted for as operating leases, these vehicles are capitalized at (depreciated) cost of production as leased equipment and depreciated over the lease term on a straight-line basis applying the expected residual values. Changes in the expected residual values lead either to prospective adjustments of the scheduled depreciation or, if necessary, to an impairment loss. The vehicles are allocated to the segment which bears substantially all of the residual value risk.

Operating leases also include vehicles, mainly products of the Daimler Truck Group, that Financial Services acquires from independent dealers or other third-parties and leases to end customers. These vehicles are recognized at (amortized) cost of acquisition under leased equipment in the Financial Services segment. If these vehicles are Group products and are subsidized, the subsidies are deducted from the cost of acquisition. After revenue is received from the sale to independent dealers, these Group products generate revenue from lease payments and subsequent resale on the basis of the separate leasing contracts. The Group estimates that the revenue generated with Group products when sold to dealers is in the order of magnitude of the corresponding addition to leased equipment at Financial Services. In 2024, additions to leased equipment from these vehicles at Financial Services amounted to €746 million 2023: €484 million).

In the case of finance leases, the Group recognizes receivables in the amount of the net investment in the lease under receivables from financial services. The net investment in a lease is the gross investment (future lease payments and non-guaranteed residual value) discounted at the interest rate on which the lease is based.

Equity-method investments

On the date of acquisition, a positive difference between cost of acquisition and the Daimler Truck Group's share of the fair values of the identifiable assets and liabilities of the associated company or joint venture is determined and recognized as investor level goodwill. The goodwill is included in the carrying amount of the equity-method investment. If an equity interest in an existing associated company is increased without change in significant influence, goodwill is determined only for the additionally acquired interest; the previous investment is not remeasured at fair value.

The Daimler Truck Group reviews at each reporting date whether there is any objective indication of impairment or impairment reversal of equity-method investments. If such indications exist, the Group determines the impairment loss or reversal to be recognized. If the carrying amount exceeds the recoverable amount of an investment, the carrying amount is written down to the recoverable amount. The recoverable amount is the greater of fair value less costs to sell and value in use. An impairment reversal is carried out if there is objective evidence for an impairment reversal. If such an assessment is made, the recoverable amount is remeasured. An impairment reversal is recognized to the extent that the recoverable amount has increased subsequent to the impairment and is limited to the amount by which an asset has been impaired.

Gains or losses (to be eliminated) from transactions with companies accounted for using the equity method are recognized through profit or loss with corresponding adjustments of the investments' carrying amounts. Gains or losses from the contribution of interests in subsidiaries to investments which are accounted for using the equity method are included in the elimination of intercompany profits and losses.

Impairment test of non-current non-financial assets

At December 31, 2024, the Daimler Truck Group assessed whether there was an indication that an asset might be impaired or whether there was an indication that a previously recognized impairment loss might be reversed. If such indication exists, the Daimler Truck Group estimates the recoverable amount of the asset. The recoverable amount is determined for each individual asset unless the asset generates cash inflows that are not largely independent of those from other assets or groups of assets (cash-generating units or CGUs).

An assessment for assets other than goodwill is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may be reversed. If this is the case, a partial or entire reversal of the impairment is recorded; the carrying amount is thereby increased to the recoverable amount. However, the increased carrying amount may not exceed the carrying amount that would have been determined (net of depreciation) if no impairment loss had been recognized in prior years.

Goodwill and other intangible assets with indefinite useful lives as well as development costs for which the projects have not yet been completed are tested at least annually for impairment. This takes place at the level of the cash-generating units. If the carrying amount of an asset or of a cash-generating unit exceeds the recoverable amount, an impairment loss is recognized for the difference.

The recoverable amount is the higher of the fair value less costs to sell and value in use. For cash-generating units, the Daimler Truck Group initially determines the respective recoverable amount as value in use and compares it with the respective carrying amount (including goodwill). If value in use is lower than the carrying amount, fair value less costs to sell is additionally calculated to determine the recoverable amount.

The cash-generating units of the Daimler Truck Group that were tested for impairment are Trucks North America, Mercedes-Benz Trucks, Trucks Asia, Daimler Buses and Financial Services. The Trucks Asia segment is comprised of the Trucks Asia CGU, and the at-equity investment in Beijing Foton Daimler Automotive Co. Ltd. (BFDA) (not part of the Truck Asia CGU), refer to Note 13. Equity-method investments. TORC Robotics, Inc. (TORC), is presented under reconciliation in the segment reporting as a further CGU.

Value in use is measured by discounting expected future cash flows from the continuing use of the cash-generating units using a risk-adjusted interest rate. Future cash flows are determined on the basis of the long-term plan approved by management at the date the impairment test is conducted. As a rule, the detailed planning period used for the impairment test covers five years. In order to take into account the scaling of TORC's innovative product, a detailed planning period extended by three years was determined for this CGU. Terminal value calculations are based on a steady state. The planning is based on expectations with regard to future market shares, the general development of the respective markets and the profitability of the products, taking into account the transformation of the commercial vehicle business.

The shift from combustion engine development projects to zero-emission vehicles is strongly influenced not only by changing customer demand but also by technological and infrastructure developments, as well as emissions regulations. The assumptions used for planning are tested for reasonableness using both historical developments and external sources of information (including market surveys). The effects of IFRS 16 (Lessee Accounting) are consistently taken into account in the calculation of the value in use and in the measurement of net assets.

The discount rates are determined on the basis of the capital asset pricing model (CAPM), taking current market expectations into account. In determining the risk-adjusted interest rate for impairment-test purposes, specific peer-group information is used for beta factors, capital-structure data and cost of debt. Periods not covered by the forecast are taken into account by recognizing a residual value (terminal value), which does not include any growth rates.

In addition, several sensitivity analyses are conducted. The sensitivity analyses are based on assumptions about the expected business development, which are based on the facts and circumstances prevailing at the time of the preparation of the Consolidated Financial Statements, as well as on realistic assumptions about the future development of global and industry-specific environment. The entire commercial vehicle industry is subject to cyclical fluctuations and reacts differently depending on region and sector. This fact is taken into account by using a conservative approach for all vehicle CGUs. Actual values may deviate from the estimated values due to unfavorable changes in these underlying conditions that deviate from the assumptions and are beyond the control of the Board of Management.

Inventories
Inventories are measured at the lower of acquisition or manufacturing cost and net realizable value. The acquisition or manufacturing costs of inventories are generally based on the specific identification method and include costs incurred. For inventories similar in nature that are held in large quantities and which are interchangeable, the allocation of acquisition or manufacturing costs are allocated using a weighted average cost formula.

Financial instruments

Recognition
Financial instruments are initially recognized at fair value. Directly attributable transaction costs are taken into account for financial instruments not measured at fair value through profit or loss.
In the case of regular purchases or sales of financial assets, the Daimler Truck Group uses the transaction date as the date of initial recognition or derecognition.

Measurement
Categorization of financial assets
The subsequent measurement of financial assets is determined according to the following three measurement categories:
- at amortized costs
- at fair value through other comprehensive income
- at fair value through profit or loss

The assignment to the respective measurement category is based on a classification decision at the time of acquisition. The business model and characteristics of the contractual cash flows are two key criteria.

Financial assets at amortized cost:
This measurement category includes, among other things, receivables from financial services, trade receivables and cash and cash equivalents. They are held with the aim of collecting the contractually agreed cash flows and have contractual payments that represent solely interest and principal payments on the outstanding nominal amount (SPPI criterion).

Cash and cash equivalents consist primarily of cash on hand, checks and demand deposits at banks, as well as debt instruments and certificates of deposits with a remaining term when acquired of up to three months, which are not subject to any material value fluctuations. Cash and cash equivalents correspond to the classification in the Consolidated Statement of Cash Flows.

Financial assets at fair value through other comprehensive income:
This measurement category includes financial assets that are held with the aim of collecting the contractually agreed cash flows as well as making sales of financial assets and that meet the SPPI criterion in accordance with IFRS 9 “Financial Instruments”. These include, among other things, instruments in the item marketable debt securities and similar investments that are held for liquidity management purposes.

This category also includes selected equity instruments that are not held for trading purposes and for which the option to recognize changes in fair value without affecting profit or loss was exercised.

Financial assets recognized at fair value through profit or loss:
This measurement category includes financial assets that either fall within the definition of a derivative in accordance with IFRS 9 or do not meet the SPPI criterion. These include instruments in the item marketable debt securities and similar investments, equity and debt instruments and other financial assets.

Impairment of financial assets
The determination of whether a financial asset has experienced a significant increase in credit risk is based on an assessment of the probability of default, which is made at least quarterly, incorporating external credit rating information as well as internal information on the credit quality of the financial asset. For debt instruments that are not receivables from financial services, a significant increase in credit risk is assessed, mainly based on past-due information or the probability of default.

Objective evidence for a credit-impaired financial asset includes 91 days past due date and other information about significant financial difficulties of the borrower.

For trade receivables, the simplified approach is applied whereby all trade receivables are allocated to stage 2 initially. Hence, no determination of significant increases in credit risk is necessary.

The Daimler Truck Group applies the low credit risk exception to the stage allocation to quoted debt instruments with investment-grade ratings. These debt instruments are always allocated to stage 1.

For receivables from financial services, expected credit losses are calculated using a statistical model that incorporates three major risk parameters: probability of default, loss given default and exposure at default. The estimation of these risk parameters incorporates all available relevant information, not only historical and current loss data, but also reasonable and supportable forward-looking information is considered. This information includes macroeconomic factors (e.g. gross domestic product growth, unemployment rate, consumer price index) and forecasts of future economic conditions. For receivables from financial services, these forecasts are determined using a scenario analysis (base scenario, optimistic and pessimistic scenario). The impairment amount for trade receivables is predominantly determined on a collective basis.

For information about the measurement of expected credit losses, refer to Note 33. Management of financial risks.

A financial instrument is derecognized if it can reasonably be assumed that a financial asset cannot be realized in full or in part, i.e. if the collateral is no longer available and no further payments from the customer are expected after the end of insolvency proceedings or court decisions, for example.

It is expected that material modifications to receivables from financial services can only occur in rare cases and to an immaterial extent.

Categorization of financial liabilities
The subsequent measurement of financial liabilities is determined according to the following two measurement categories:
- at amortized costs
- at fair value through profit or loss

In principle, all financial liabilities in the Daimler Truck Group are measured at amortized costs. An exception are derivative financial liabilities and the puttable instruments explained below.

The Group participates in supplier finance arrangements under which suppliers may elect to receive early payment from financial institutions and external banks by selling their receivables from the Group to a factor. The Daimler Truck Group classifies the financial liabilities eligible for supplier finance arrangements as trade payables as the obligations to pay for goods or services are invoiced by a supplier. Daimler Truck considers trade payables as part of working capital. In general trade payables have an original maturity of less than 12 months. Related payments are included in cash flows from operating activities as they remain operational in nature.

Financial liabilities measured at amortized cost
The non-controlling interests held by Mercedes-Benz Grund Services GmbH in Daimler Truck Grundstückverwaltung GmbH & Co. OHGs (1-4) and in Daimler Buses Grundstücksverwaltung GmbH & Co. OHG are reported under financial liabilities recognized at amortized cost. These non-controlling interests are classified as puttable instruments because the non-controlling shareholder, Mercedes-Benz Grund Services GmbH (refer to Note 24. Financing liabilities), has the right to terminate and return its share in exchange for a severance payment. Therefore, the non-controlling interests are accounted for as financial liabilities according to IAS 32 “Financial Instruments: Presentation”. After initial recognition, the financial liabilities are subsequently measured at amortized cost using the effective interest method. The measurement of the puttable instruments in commercial real-estate partnerships equals the present value of the redemption amount in the event of termination of the shareholding.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include derivative financial liabilities.

Determination of fair value
Financial assets and liabilities measured at amortized costs
The fair values of receivables from financial services with variable interest rates are estimated to be equal to the respective carrying amounts, because the agreed-upon interest rates and those available in the market do not significantly differ. The fair values of receivables from financial services with fixed interest rates are determined on the basis of discounted expected future cash flows.

Discounting is based on the current interest rates at which similar loans with identical terms could have been obtained at December 31, 2024 and December 31, 2023.

The fair values of loans, commercial papers, notes/bonds and liabilities from ABS transactions reported as financing liabilities are calculated as the present values of the estimated future cash flows, taking credit premiums and credit risks into account. Market interest rates for the appropriate terms are used for discounting. The fair values of the puttable instruments in commercial real-estate partnerships approximately equal to the carrying amounts.

For current receivables and liabilities, it is assumed that the fair values are equal to the carrying amounts due to the short terms and the fundamentally lower credit risk of these financial instruments. These include trade receivables and payables measured at amortized costs, other financial assets and liabilities, cash and cash equivalents, similar investments and obligations from sales transactions.

Financial assets and liabilities measured at fair value
Marketable debt securities and equity instruments recognized at fair value were measured using quoted market prices at the end of the reporting period. If quoted market prices are not available for individual debt and equity instruments, fair value measurement is based on parameters for which either directly or indirectly derived quoted prices are available on an active market. The fair values are calculated using recognized financial mathematical models, such as discounted cash flow models or multiplier models. The marketable debt securities measured at fair value through profit or loss only include money market funds.

Derivative financial instruments that are not included in hedge accounting are reported in the items other financial assets or liabilities. The fair value of listed derivatives is equal to their positive or negative market value.

If no market values are available, these are calculated using standard financial valuation models such as discounted cash flow or option-pricing models. The procedure is as follows:

- For cross-currency interest rate swaps and interest rate hedging instruments (e.g. interest-rate swaps), the fair values are calculated on the basis of discounted, estimated future cash flows, taking account of credit premiums and default risks. The market interest rates applicable to the remaining terms of the financial instruments were used.
- For currency forwards, the valuation is based on forward curves quoted on the market.
- For power purchase agreements, the valuation is based on the discounted cash flow model, where observable, stock market prices and other fundamental data is used.

Hedge accounting
The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its operating or financing activities or liquidity management. Hedging relationships are created for currency and interest rate risks.

Hedges in which the valuation effects from the underlying and hedging transactions largely offset each other in the Consolidated Statement of Income are largely not included in hedge accounting.

Derivatives that are not or no longer included in hedge accounting continue to hedge financial risks from operational business. The hedging instrument is terminated when the underlying transaction no longer exists or is no longer expected.

If the requirements of IFRS 9 for the accounting of hedging relationships (hedge accounting) are fulfilled, the Daimler Truck Group designates and documents the hedging relationship from this point on as a fair value hedge or as a cash flow hedge.

Cash flow hedges are designated in connection with the hedging of currency and interest rate risks. The hedged underlying transactions represent highly probable expected transactions in the case of currency risks and variable-interest financial liabilities in the case of interest rate risks.

Fair value hedges are designated in connection with the hedging of interest rate risks. The secured underlying transactions are fixed-interest financial liabilities.

The effectiveness of the hedge is assessed at the beginning and during the hedging relationship. The critical terms match method is used to prospectively measure the effectiveness of currency risk hedges, while regression analysis is used for interest rate risk hedges.

If the option is taken to exclude the forward element or cross currency basis spread component from the hedging relationship, they are deferred as hedge costs in other comprehensive income.
Further explanations on hedge currency and interest rate risks can be found in Note 33. Management of financial risks.

Pensions and similar obligations
The balance of defined benefit plans for pensions and other similar pension benefits as well as plan assets (net pension obligation or net pension assets) is discounted with the discount rate used to measure the gross pension obligation. The resulting net interest expense or income is recognized in profit or loss under interest expense or interest income in the Consolidated Statement of Income. The other expenses resulting from pension obligations and other similar pension benefits, which mainly result from entitlements acquired during the year under review, are recognized in the functional costs in the Consolidated Statement of Income.

The discount factors used to calculate the present values of defined benefit pension obligations are to be determined – with maturities and currencies matching the pension payments – by reference to market yields at the end of the reporting period on high-quality corporate bonds in the respective markets. For very long maturities, there are no high-quality, fixed-interest corporate bonds available as a benchmark. The respective discount factors are estimated by extrapolating current market rates along the yield curve.

Provisions for other risks
A provision for warranties is recognized when a product is sold or when a new warranty program is initiated. The measurement of warranty costs are primarily based on historical experience.

Restructuring provisions are recognized in connection with programs that materially change the scope or nature of the business activities of a segment or business unit. In most cases, restructuring expenses include termination benefits and compensation payments to dealers and suppliers. Restructuring provisions are recognized when the Group has a detailed formal plan that has either commenced implementation or been announced.

Contract and refund liabilities

Contract liabilities:
The Daimler Truck Group recognizes a contract liability for the obligation to transfer goods or services to a customer for which the Daimler Truck Group has received (or will receive) consideration from that customer.

Contract liabilities arise for the Daimler Truck Group especially from prepaid service and maintenance contracts and extended warranties.

Refund liabilities:
A refund liability arises if the Daimler Truck Group receives consideration from a customer and expects to refund some or all of that consideration to the customer. A refund liability is measured at the amount of consideration received for which the Daimler Truck Group does not expect to be entitled and is thus not included in the transaction price.

Refund liabilities arise at the Daimler Truck Group in particular from the following circumstances:

- obligations from sales transactions (especially performance bonuses, discounts and other price concessions) in the scope of IFRS 15, and
- sales with the right of return and residual value guarantees.

Share-based payment

Share-based payment comprises cash-settled liability awards.

The liability-based remuneration plans are measured at fair value on each balance sheet date until they are settled and the obligation is recognized provided that the obligations have vested. The profit or loss to be recognized in the reporting period corresponds to the addition to and/or the reversal of the provision during the reporting period and the dividend equivalent paid during the period and is included in functional costs.

Presentation in the Consolidated Statement of Cash Flows

The Daimler Truck Group uses the indirect method for the determination of cash flows from operating activities. Interest paid as well as interest and dividends received are classified as cash flows from operating activities. The cash flows from short-term marketable debt securities with high turnover rates and significant amounts are offset and presented within cash flows from investing activities.

Consideration of climate-related aspects in connection with the recognition and measurement of assets and liabilities

Sustainability is an important component of the Daimler Truck Group's long-term objectives and therefore of many of its strategic projects. With sustainable solutions and technical innovations, Daimler Truck pursues the goal of making transport locally CO_2e-free and developing strategies to counteract the effects of climate change. This is not only achieved through battery-electric and hydrogen-based vehicles, but also through various services and new digital solutions. This goal is pursued in all areas of the value chain. One of the company's long-term goals is to drive forward the technology transformation to enable CO_2e-free transport on the roads by 2050. To achieve this, Daimler Truck is relying on battery-electric and hydrogen-powered truck and buses that are CO_2e-free in operation ("tank to wheel "). From 2039 on, only vehicles that are CO_2e-free in operation are to be offered in Europe, Japan and USA. Furthermore, Daimler Truck relies on the temporary use of CO_2e compensation certificates, which are tradable units (carbon credits) that represent the right to emit one tonne of carbon dioxide or an equivalent quantity of another greenhouse gas. A carbon credit corresponds to one tonne of CO_2-equivalent emissions. In the following, CO_2e represents the standardization of different greenhouse gases into one unit.

Daimler Truck started developing alternative drive technologies early on and already offers an extensive fleet of vehicles that are CO_2e-free in driving operation in various markets around the world. In the 2024 reporting year, there were already eleven series-ready, in operation CO_2e-free truck and bus models during operation on sale in the core markets of Europe, USA and Japan. Further information can be found in the combined management report under Sustainability at Daimler Truck.

The Daimler Truck Group already has battery-electric truck and bus models in series production in Europe, North America and Asia (further information can be found in the section Sustainability at Daimler Truck as part of the combined management report under Responsible corporate culture). The corporate sustainability statement as part of the combined management report was subject to a limited assurance review by the auditor.

In the coming years, not only more vehicles with battery drives, but also hydrogen-based vehicles will follow. In addition, the Group plans to expand its technology path in the future and explore the potential of additional battery and charging options. Given the importance of ensuring that the right infrastructure is in place to support these battery-electric fuel cell vehicles on the road, the Daimler Truck Group is planning to develop an efficient charging infrastructure with selected partners.

The climate-related impacts associated with the transformation of the commercial vehicle business are taken into account when recognizing and measuring the Group's assets and liabilities. Estimates and assumptions in connection with sustainability-related aspects are particularly relevant when accounting for the assets and liabilities described below:

The desired shift from combustion engines to battery-electric vehicles as well as the changing customer demand for more sustainable products are reflected in the fact that the focus in all vehicle segments will continue to be on development projects related to battery-electric vehicles in the coming years. In addition to changing customer behavior, these development projects will be strongly influenced by technology and infrastructure developments as well as emissions regulations. It can be assumed that the share of development costs for combustion vehicles will continue to decrease and the share for battery-electric vehicles will continue to increase.

When determining and reviewing the useful lives of capitalized development costs, the expected product life is taken into account. The transformation of the commercial vehicle business to battery-electric vehicles may have an impact on the originally expected product life cycles. As at the reporting date, no adjustments were made to the useful lives of capitalized development costs due to changes in the expected product life cycles as a result of the transformation in the Daimler Truck Group.

Due to the transformation to battery-electric vehicles, the useful lives of the Daimler Truck Group's property, plant and equipment must be assessed regularly. Daimler Truck plans to produce battery-electric vehicles largely at the same production facilities. This is already happening at the large production sites in Germany and the USA. This will allow us to respond flexibly to customer demand in the future. As at the reporting date, the review of the useful lives of property, plant and equipment revealed no need for adjustment due to the flexible use of production facilities within the Group. In addition, all necessary investments in property, plant and equipment relating to transformation have been considered in the corresponding planning.

The impairment test of the CGUs reflects these transformation targets within the forecast planning periods and in the calculation of the terminal value. The determination of the terminal value is based on a steady state. Since the main transformation objectives are outside of the detailed planning period, assumptions about the shifting of revenues, costs (incl. development costs) and corresponding investments are reflected in the terminal value. These parameters are reflected in the annual impairment tests of our vehicle-related CGU.

The increasing regulatory requirements on CO_2e emissions are accelerating the Daimler Truck Group’s transformation to CO_2e-free vehicles. If the regulatory requirements are not met or the emission limit values are exceeded, fines must be paid to the authorities. The provisions for potential fines are based on estimates and may increase further in the future due to stricter or new regulatory requirements. New regulatory requirements on CO_2e emissions from vehicle sales that come into force from 2025 are already known today. As at the reporting date, no provisions for payments to authorities due to the Daimler Truck Group exceeding the emission limit had to be recognized.

The Daimler Truck Group has concluded Power Purchase Agreements with terms until 2044. These are accounted for either as leases in accordance with IFRS 16, derivatives in accordance with IFRS 9 or pending contracts in accordance with IAS 37. Overall, these contracts are currently of minor importance to the Group in relation to the total electricity demand and in terms of their significance for the liquidity and capital resources, financial position and profitability.

2. Accounting estimates and management judgments

In the Consolidated Financial Statements, to a certain degree, estimates and management judgments have to be made which can affect the amounts and reporting of assets and liabilities, the reporting of contingent assets and liabilities on the balance sheet date, and the amounts of income and expense reported for the period. The major items affected by such estimates and management judgments are described as follows. Actual amounts may differ from the estimates and management judgments. Changes can have a material impact on the Consolidated Financial Statements.

Recoverability of cash-generating units and equity-method investments
To determine the recoverable amounts of cash-generating units, estimates have to be used as part of impairment tests for non-financial assets. Assumptions have to be made in particular with regard to future cash inflows and outflows for the planning period and the following periods. The estimates mainly relate to assumptions regarding future market shares and the growth of the respective markets, as well as regarding the products' profitability.

When objective evidence of impairment or impairment reversal is present, estimates and assessments also have to be made to determine the recoverable amount of an equity-method investment. In this context, assumptions must be made regarding future business developments in order to determine the expected future cash flows of that financial investment. Refer to Note 13. Equity-method investments, for the presentation of carrying amounts of equity-method investments.

Recoverable amount of equipment on operating leases
The Daimler Truck Group regularly reviews the factors determining the values of its leased vehicles. In particular, it is necessary to estimate the residual values of vehicles at the end of their leases, which constitute a substantial part of the expected future cash flows from leased assets. In this context, assumptions are made regarding major influencing factors, such as the expected number of returned vehicles, the latest remarketing results and future vehicle model changes. Those assumptions are determined either by qualified estimates or by publications provided by expert third-parties; qualified estimates are based, as far as publicly available, on external data with consideration of internally available additional information such as historical experience of price developments and recent sale prices. The residual values thus determined serve as a basis for depreciation; changes in residual values lead either to prospective adjustments of the depreciation or, in the case of a significant decline in expected residual values, to an impairment. If depreciation is prospectively adjusted, changes in estimates of residual values do not have a direct effect but are equally distributed over the remaining periods of the lease contract.

Recoverability of receivables from financial services
The Daimler Truck Group regularly estimates the risk of default on receivables from financial services. Many factors are taken into consideration in this context, including historical loss experience, the size and composition of certain portfolios, current economic events and conditions and the current fair values and adequacy of collaterals. In addition to historical and current information on losses, appropriate and reliable forward- looking information on factors is also included. This information includes macroeconomic factors (e.g. GDP growth, unemployment rate, consumer price index) and forecasts of future economic conditions. For receivables from financial services, these forecasts are determined using a scenario analysis (baseline scenario, optimistic and pessimistic scenario). Further external information, which cannot be depicted in the scenarios, is – as far as necessary – included in the assessment through subsequent adjustments. Changes to the estimation and assessment of these factors influence the allowance for credit losses with a resulting impact on the Group's net profit. Refer to Note 14. Receivables from financial services and Note 33. Management of financial risks for further information.

Product warranties
The recognition and measurement of provisions for product warranties is generally associated with a lot of estimates.

The Group provides various types of product warranties depending on the type of product and market conditions. Provisions for product warranties are generally recognized when vehicles are sold or when new warranty programs are initiated. Based on historical warranty-claim experience, assumptions have to be made on the type and extent of future warranty claims and customer goodwill, as well as on possible recall campaigns per model series. These assessments are based on past experience with regard to the frequency and extent of vehicle faults and defects. In addition, the estimates also include assumptions on the amounts of potential repair costs per vehicle and the effects of possible time or mileage limits. The provisions are regularly adjusted to reflect new information. Further information on provisions for other risks is provided in Note 23. Provisions for other risks.

Liability and litigation risks and regulatory proceedings
Various legal proceedings, claims and regulatory investigations are pending against the Daimler Truck Group on a wide range of topics. If the outcome of such legal proceedings is detrimental to the Daimler Truck Group, the Group may be required to pay substantial compensatory and punitive damages, to undertake remedial work, product recalls, to pay fines, or to carry out other costly actions. Litigation and regulatory investigations often involve complex legal issues and are connected with a high degree of uncertainty. Accordingly, the assessment of whether a current obligation exists on the balance sheet date as a result of an event in the past, and whether a future cash outflow is likely and the obligation can be reliably estimated, largely depends on estimations by management. The Daimler Truck Group regularly evaluates the current stage of legal proceedings, including consultations with external legal counsel. It is therefore possible that the amounts of provisions for pending or potential litigation will have to be adjusted due to future developments. Changes in estimates and assumptions can have a material effect on the Group's future profitability. It is also possible that provisions recognized for some legal proceedings may turn out to be insufficient once such proceedings have ended. The Daimler Truck Group may also become liable for payments in legal proceedings for which no provisions were established. Although the final resolution of any such proceedings could have a material effect on the Daimler Truck Group's operating results and cash flows for a particular reporting period, management believes that it should not materially affect the Group's financial position. Further information on liability and litigation risks and regulatory proceedings is provided in Note 30. Legal proceedings.

Pensions and similar obligations
The calculation of provisions for pensions and similar obligations and the related pension cost are based on various actuarial valuations. The calculations are subject to various assumptions on matters such

as current actuarially developed probabilities (e.g. discount factors and cost-of-living increases), future fluctuations with regard to age and period of service, and experience with the probability of occurrence of pension payments, annuities or lump sums. As a result of changed market or economic conditions, the probabilities on which the influencing factors are based may differ from current developments. The financial effects of deviations of the main factors are calculated with the use of sensitivity analyses. Refer to Note 22. Pensions and similar obligations for further information.

Income taxes

The calculation of income taxes is based on the legislation and regulations applicable in the various countries. Due to their complexity, tax items presented in the Consolidated Financial Statements are possibly subject to different interpretations by taxpayers on the one hand and local tax authorities on the other. Different interpretations can occur especially in connection with the recognition and measurement of balance sheet items as well as in connection with the assessment of expenses and income. For the calculation of deferred tax assets, assumptions have to be made regarding future taxable income and the time of realization of the deferred tax benefits. In this context, the Daimler Truck Group takes into consideration, among other things, the projected operating results from subsidiaries, the effects on earnings of the reversal of taxable temporary differences, and realizable tax strategies. As future business developments are uncertain and are sometimes beyond the Daimler Truck Group’s control, the assumptions made for accounting for income taxes in connection with the recognition of deferred tax assets are subject to a considerable degree of uncertainty.

On each balance sheet date, the Daimler Truck Group assesses the recoverability of deferred tax assets on the basis of the planned taxable income in future financial years. Deferred tax assets are only recognized if it is probable that future taxable income will be available to realize tax benefits.

3. Consolidated Group

Composition of the Group
Table ↗ C.08 shows the composition of the Group. A list of the companies included in the Consolidated Financial Statements and the shareholdings of the Daimler Truck Group pursuant to Section 313 of the German Commercial Code (HGB) is provided in the statement of investments, refer to Note 41. Additional information.

The total assets in the Statement of Financial Position of subsidiaries, associated companies, joint ventures and joint operations recognized at (amortized) cost, which are of minor significance due to their dormant status or only minor business activities for the Daimler Truck Group and for the presentation of a true and fair view fair presentation of its profitability, liquidity and capital resources, and financial position, would account for approximately 1% of the Group's total assets; the aggregate of revenue and net profit would amount to approximately 1% of the Group's revenue and net profit.

Structured entities
The structured entities of the Daimler Truck Group are rental companies and asset-backed-securities (ABS) companies. The purpose of the rental companies is primarily the acquisition, renting-out and management of assets. The ABS companies are primarily used for the Daimler Truck Group's refinancing. The assets transferred to structured entities usually result from the Daimler Truck Group's leasing and sales financing business. Those entities refinance the purchase price by issuing securities.

At the reporting date, the Daimler Truck Group has business relationships with five controlled structured entities. In addition, the Daimler Truck Group had relationships with four non-controlled structured entities.

Assets and liabilities held for sale
As of December 31, 2024 there were no significant assets and liabilities held for sale (Further information can be found in the Fundamentals of the Group section in the combined management report under Important Events).

C.08
Composition of the Group

	At December 31, 2024	2023
Consolidated subsidiaries	133	128
Germany	18	17
International	115	111
Unconsolidated subsidiaries	22	22
Germany	8	7
International	14	15
Joint operations accounted for using the equity method	1	1
Germany	–	–
International	1	1
Joint ventures accounted for using the equity method	6	5
Germany	1	1
International	5	4
Associated companies accounted for using the equity method	6	6
Germany	1	1
International	5	5
Joint operations, joint ventures, associated companies and material other investments accounted for at (amortized) cost	11	11
Germany	5	6
International	6	5
Significant other investments accounted for at fair value	4	5
Germany	2	3
International	2	2
Total	183	178

4. Revenue

Revenue disclosed in the Consolidated Statement of Income includes revenue from contracts with customers and other revenue not in the scope of IFRS 15.

Revenue from contracts with customers (revenue according to IFRS 15) is disaggregated by the two categories – type of products and services and geographical regions – and presented in table ↗ **C.09.** The category type of products and services corresponds to the reportable segments as presented in Note 34. Segment reporting.

Other revenue primarily comprises revenue from the rental and leasing business of €1,208 million (2023: €1,184 million), interest from Financial Services of €2,573 million (2023: €2,027 million) and effects from currency hedging. Interest from the financial services business includes financial income on the net investment in leases of €393 million (2023: €283 million).

Revenue according to IFRS 15 includes revenue that was previously included in contract liabilities at December 31, 2023 that amounted to €989 million in 2024 (revenue in 2023 that was previously included in contract liabilities at January 01, 2023: €865 million) and revenue from performance obligations of €113 million (2023: €93 million), which were met or partially met in previous periods.

C.09

Revenue

In millions of euros	Trucks North America	Mercedes-Benz Trucks	Trucks Asia	Daimler Buses	Financial Services	Total Segments	Reconciliation	Daimler Truck Group
2024								
Revenue according to IFRS 15	**23,710**	**18,455**	**6,095**	**5,055**	**236**	**53,550**	**-3,212**	**50,339**
Europe	**68**	**11,939**	**378**	**3,538**	**96**	**16,018**	**-1,230**	**14,789**
North America	**23,401**	**1,193**	**46**	**551**	**66**	**25,255**	**-1,228**	**24,027**
Asia	**5**	**1,276**	**5,097**	**66**	**15**	**6,459**	**-492**	**5,967**
Latin America[1]	**73**	**2,981**	**185**	**809**	**17**	**4,065**	**-259**	**3,806**
Other markets	**164**	**1,067**	**389**	**91**	**43**	**1,753**	**-3**	**1,750**
Other revenue	**71**	**640**	**16**	**192**	**3,098**	**4,018**	**-280**	**3,738**
Total revenue	**23,781**	**19,095**	**6,111**	**5,247**	**3,334**	**57,568**	**-3,491**	**54,077**

In millions of euros	Trucks North America	Mercedes-Benz Trucks	Trucks Asia	Daimler Buses	Financial Services	Total Segments	Reconciliation	Daimler Truck Group
2023								
Revenue according to IFRS 15	23,463	20,986	7,014	4,374	216	56,054	-3,342	52,712
Europe	180	14,397	480	3,039	104	18,201	-1,046	17,154
North America	22,964	1,197	108	440	37	24,746	-1,288	23,459
Asia	6	1,953	5,721	94	15	7,790	-716	7,074
Latin America[1]	122	2,281	171	700	21	3,295	-249	3,046
Other markets	190	1,157	533	102	39	2,021	-42	1,979
Other revenue	29	652	47	192	2,458	3,377	-199	3,178
Total revenue	23,492	21,638	7,060	4,566	2,674	59,431	-3,541	55,890

1 Excluding Mexico.

At December 31, 2024, it was anticipated that future revenue of €4,162 million (2023: €3,706 million) related to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period will be realized within the next three years. This revenue is mainly derived from long-term service and maintenance contracts and extended warranties. It does not include performance obligations from customer contracts that have initial expected durations of one year or less. Any long-term performance obligations considered of minor importance to the overall contract value of a bundled contract are not considered in assessing the initial duration of the bundled contract.

Revenue by segment is shown in table ↗ C.86 and by region in table ↗ C.88 in Note 34. Segment reporting.

5. Functional costs

Cost of sales

Items included in cost of sales are shown in table ↗ C.10.

C.10
Cost of sales

In millions of euros	2024	2023
Expense of goods sold	-38,598	-40,273
Depreciation of equipment on operating leases	-821	-804
Refinancing costs at Financial Services	-1,822	-1,424
Impairment losses on receivables from Financial Services	-298	-88
Other cost of sales	-1,340	-1,379
	-42,879	-43,968

The decrease in the Group's cost of sales is mainly due to the change in sales in 2024 compared to 2023. In contrast, refinancing costs in the Financial Services segment increased cost of sales in 2024 due to an increased portfolio.

The amortization of capitalized development costs of €79 million (2023: €94 million) is included in the expense of goods sold.

The expense of goods sold also includes, among other expenses, cost improvement measures to reduce fixed costs (refer to table ↗ C.11).

Selling expenses

In 2024, selling expenses amounted to €3,009 million (2023: €2,890 million). Selling expenses consist of direct selling costs as well as selling overhead expenses, such as personnel expenses, material costs and other selling costs. In addition, selling expenses included a special item of €169 million from the impairment of trade receivables in 2024, resulting from the ongoing discussions with our partner with regard to our China business.

General administrative expenses

In 2024, general administrative expenses amounted to €2,582 million (2023: €2,413 million). They consist of expenses which are not attributable to production, sales or research and development functions, such as personnel expenses, depreciation and amortization of fixed and intangible assets, and other administrative costs.

Research and non-capitalized development costs

In 2024, research and non-capitalized development costs were €1,671 million (2023: €1,757 million) and primarily comprise personnel expenses and material costs.

Cost improvement measures

In 2024, expenses from cost improvement measures arose in cost of sales, selling and general administrative expenses attributable to the segments Trucks North America, Financial Services and Mercedes-Benz Trucks. In the prior year, expenses from cost improvement measures were included in cost of sales and selling expenses in the Mercedes-Benz Trucks segment.

Table ↗ C.11 provides an overview of the composition of the total expenditure of the cost improvement measures.

C.11
Expenses associated with cost improvement measures

In millions of euros	2024	2023
Cost of sales	2	7
Selling expenses	15	9
General administrative expenses	39	–
Research and non-capitalized development costs	–	–
	55	16

Personnel expenses and average number of employees

Personnel expenses included in the Consolidated Statement of Income amounted to €8,227 million in 2024 (2023: €8,154 million). Personnel expenses comprise wages and salaries in the amount of €6,264 million (2023: €6,325 million), social-security contributions in the amount of €1,666 million (2023: €1,557 million) and expenses from pension obligations in the amount of €297 million (2023: €272 million).

Pursuant to Section 314 Subsection 1 No. 4 of the German Commercial Code (HGB), the average numbers of people employed in the Daimler Truck Group, are shown in table ↗ C.12.

C.12
Average number of employees

	2024	2023
Trucks North America	28,790	29,291
Mercedes-Benz Trucks	41,487	42,146
Trucks Asia	16,806	16,904
Daimler Buses	17,197	16,756
Financial Services	1,930	1,903
Central Functions & Services[1]	2,831	2,933
	109,041	109,933

1 Including entities which are not allocated to reportable segments and are presented under reconciliation within the segment reporting.

Information on the total remuneration of the key management personnel active is provided in Note 38. Remuneration of the members of the Board of Management and the Supervisory Board.

6. Other operating income and expense

The composition of other operating income is shown in table ↗ C.13.

C.13
Other operating income

	2024	2023
In millions of euros		
Gain on bargain purchase related to Phase 2 transactions	–	4
Income from costs recharged	260	301
Government grants and subsidies	110	55
Gain on disposal of property, plant and equipment	26	24
Rental income not relating to sales financing	47	43
Miscellaneous other operating income	252	238
	696	664

Income from costs recharged includes income from licenses and patents, as well as freight costs and other costs recharged, with related expenses primarily within the functional costs.

Government grants and subsidies mainly comprise reimbursements relating to current partial retirement contracts and subsidies for alternative drive systems.

The composition of other operating expense is shown in table ↗ C.14.

C.14
Other operating expense

	2024	2023
In millions of euros		
Loss on disposal of property, plant and equipment	-20	-41
Miscellaneous other operating expense	-397	-60
	-417	-101

Miscellaneous other operating expense included provisions for liability and litigation risks, expenses arising from the monetary value adjustment of companies in hyperinflationary countries as well as a special item from the impairment of other financial assets in 2024 in the amount of €32 million resulting from the ongoing discussions with our partner with regard to our China business.

7. Other financial income/expense, net

Table ↗ C.15 shows the components of other financial income/expense, net.

C.15
Other financial income/expense, net

	2024	2023
In millions of euros		
Income and expense from compounding and effects from changes in discount rates of provisions for other risks	-128	-128
Miscellaneous other financial income/expense, net	108	-4
	-19	-132

In 2024, other financial income/expense was positively impacted by exchange rate gains from the valuation of foreign currency holdings and lower expenses from equity instruments compared to 2023.

8. Interest income and interest expense

Table ↗ C.16 shows the components of interest income and interest expense.

C.16
Interest income and interest expense

	2024	2023
In millions of euros		
Interest income		
Net interest income on the net assets of defined benefit pension plans	1	–
Interest and similar income	429	384
	430	384
Interest expense		
Net interest expense on the net obligation from defined benefit pension plans	-65	-55
Interest and similar expense	-154	-186
	-220	-241

9. Income taxes

Table ↗ **C.17** shows the components of income taxes.

C.17
Components of income taxes

In millions of euros	2024	2023
Current taxes	-1,441	-1,620
Deferred taxes	704	264
	-736	-1,355

The current tax expense includes tax expense recognized for prior periods of €17 million (2023: income of €38 million).

The deferred taxes are comprised of the components shown in table ↗ **C.18**.

C.18
Components of deferred tax income (+) or expense (-)

In millions of euros	2024	2023
Deferred taxes due to temporary differences	527	147
Deferred taxes due to tax loss carryforwards and tax credits	177	117
	704	264

Daimler Truck Holding AG is domiciled in Germany with an applicable income tax rate of 29.8% in both 2024 and 2023. It consists of a federal corporate income tax rate of 15.0%, a solidarity tax surcharge of 5.5% on each year's federal corporate income taxes, and a trade tax rate of 14.0%. The deferred taxes were measured using the substantively enacted tax rates of the respective tax jurisdictions.

Table ↗ **C.19** shows a reconciliation of expected income tax expense to actual income tax expense determined using the unchanged applicable German combined statutory tax rate of 29.8%.

C.19
Reconciliation of expected income tax expense to actual income tax expense

In millions of euros	2024	2023
Expected income tax expense	-1,134	-1,589
Foreign tax rate differential	125	136
Tax law changes	5	38
Change in unrecognized deferred tax assets	417	184
Tax-free income and non-deductible expenses	-174	-107
Other	25	-18
	-736	-1,355

Tax-free income and non-deductible expenses include effects from non-German and German legal entities and operations, for example, from tax-free dividends and non-deductible expenses resulting from such dividends.

The Other effects primarily relate to foreign currency effects, inflationary effects and withholding taxes.

In the Consolidated Statement of Financial Position, deferred tax assets and liabilities are presented as shown in table ↗ **C.20**.

C.20
Deferred tax assets and liabilities

In millions of euros	2024	2023
Deferred tax assets	2,557	1,873
Deferred tax liabilities	-28	-40
Deferred tax assets, net	2,528	1,833

In respect of each type of temporary difference and in respect of each type of unused tax loss carryforwards and unused tax credits, the deferred tax assets and liabilities before offset are summarized in table ↗ **C.21**.

C.21

Split of deferred tax assets and liabilities before offset

	At December 31, 2024	2023
In millions of euros		
Intangible assets	90	80
Property, plant and equipment	215	89
Equipment on operating leases	144	117
Inventories	297	280
Receivables from financial services	162	160
Miscellaneous assets, mainly other financial assets	1,409	1,266
Tax loss carryforwards and unused tax credits	445	562
Provisions for pensions and similar obligations	195	181
Other provisions	989	1,032
Liabilities	1,127	999
Deferred income	578	780
Miscellaneous liabilities		-
	5,652	5,546
Unrecognized deferred tax assets	-174	-666
thereof on temporary differences	-70	-267
thereof on tax loss carryforwards	-104	-399
Deferred tax assets, gross	5,478	4,880
Development costs	-265	-192
Other intangible assets	-43	-45
Property, plant and equipment	-585	-621
Equipment on operating leases	-674	-785
Inventories	-34	-60
Receivables from financial services	-86	-248
Miscellaneous assets	-145	-148
Provisions for pensions and similar obligations	-911	-863
Other provisions	-14	-18
Miscellaneous liabilities	-192	-68
Deferred tax liabilities, gross	-2,949	-3,047
Deferred tax assets, net	2,528	1,833

The development of net deferred tax assets, is shown in table ↗ C.22.

C.22

Change of deferred tax assets, net

	2024	2023
In millions of euros		
Deferred tax assets, net as of January 01	1,833	1,578
Deferred tax benefit/expense in the Consolidated Statement of Income	704	264
Change of deferred tax assets/ liabilities on equity instruments / debt instruments included in other comprehensive income	–	-3
Change of deferred tax assets/ liabilities on derivative financial instruments included in other comprehensive income	22	31
Change of deferred tax assets/ liabilities on actuarial gains/ losses from defined benefit pension plans included in other comprehensive income	-50	-2
Other changes[1]	19	-35
Deferred tax assets, net as of December 31	2,528	1,833

1 Other changes primarily relate to effects from currency translation.

Tax expense that was recognized in comprehensive income is as shown in table ↗ C.23.

C.23

Total comprehensive income

	2024	2023
In millions of euros		
Income tax expense in the Consolidated Statement of Income	-736	-1,355
Income tax expense or benefit recognized in other reserves	-28	25
	-765	-1,330

Deferred tax assets have not been recognized for the items shown in table ↗ C.24 because the Daimler Truck Group believes that the recoverability of those deferred tax assets is either not probable or it cannot be reliably demonstrated that sufficient future taxable income will be available against which the benefits therefrom can be offset.

C.24

Items for which no deferred tax assets were recognized

	2024	2023
In millions of euros		
Deductible temporary differences	249	815
Tax losses carried forward	554	1,435
	803	2,250

The expiry of the tax losses carried forward, for which no deferred tax assets were recognized, are shown in table ↗ C.25.

C.25

Tax losses carried forward for which no deferred tax asset were recognized

	2024	2023
In millions of euros		
No expiry	238	1,063
Expiry		
within one to five years	173	196
within six to nine years	24	39
after more than nine years	119	137
	554	1,435

The Daimler Truck Group incurred tax losses in 2024 or 2023 in some entities. After offsetting the deferred tax assets against deferred tax liabilities, the respective net deferred tax assets recognized at the Daimler Truck Group from these entities amount to €248 million at December 31, 2024 (December 31, 2023: €372 million). Thereof €181 million (December 31, 2023: €328 million) relate to the German tax group of Daimler Truck Holding AG. The Daimler Truck Group considers it probable that sufficient taxable profit will be available in the future to utilize these deferred tax assets. The current assessment of the recoverability of deferred tax assets that are considered recoverable by the Daimler Truck Group may change in the future and result in higher or lower deferred tax assets.

From the current perspective, the retained earnings of non-German subsidiaries are largely intended to be reinvested in those subsidiaries. The Daimler Truck Group did not recognize deferred tax liabilities on retained earnings of non-German subsidiaries of €7,846 million (December 31, 2023: €5,248 million), which are intended to be reinvested. If those earnings were paid out as dividends, an amount of 5.0% would be taxed under German taxation rules and, if applicable, would be subject to non-German withholding tax. Additionally, income tax consequences might arise if the dividends first have to be distributed by a non-German subsidiary to a non-German intermediate holding company. Normally, the distribution would lead to an additional income tax expense. It is not practicable to estimate the amount of taxable temporary differences therefrom.

In the Group, several years have not been finally assessed for tax purposes. The Daimler Truck Group believes that it has recognized sufficient liabilities for these open assessment years. Nevertheless, it cannot be ruled out that tax payments might exceed the liabilities recognized in the financial statements.

To compensate for tax risks arising from periods prior to the spin-off date, Daimler Truck Holding AG agreed to refund future tax arrears payments from tax audits for periods in which the truck business was operated in a separate legal entity and for which Mercedes-Benz Group AG had not already recognized any provisions for tax risks. The fair value of the liability is measured at zero.

The Daimler Truck Group is subject to the global minimum top-up tax under “Pillar Two”-legislation. In 2024, no corresponding current tax expense was recognized.

The Daimler Truck Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

10. Intangible assets

The development of intangible assets is shown in table ↗ **C.28**.

Intangible assets that are not subject to scheduled amortization include assets with an indefinite useful life, such as goodwill, distribution rights and trademarks, and development costs for which the underlying projects are not yet completed. The Group intends to continue to use these assets. Table ↗ **C.26** shows goodwill by segment and within reconciliation in the segment reporting. Intangible assets with indefinite lives, excluding goodwill, are €1,071 million at December 31, 2024 (December 31, 2023: €1,074 million). Capitalized development costs in connection with projects that have yet to be completed amount to €444 million at December 31, 2024 (December 31, 2023: €384 million).

C.26

Goodwill by segment

	At December 31,	
	2024	2023
In millions of euros		
Trucks North America	**295**	284
Mercedes-Benz Trucks	**167**	167
Trucks Asia	**81**	82
Daimler Buses	**4**	4
Financial Services	**7**	7
Reconciliation[1]	**128**	121
	684	666

1 Goodwill within reconciliation relates to the TORC Robotics, Inc. cash-generating unit.

Other intangible assets includes the license agreement for the right-to-use of the brand Mercedes-Benz with carrying amount of €932 million (December 31, 2023: €932 million). The use of the brand is for an indefinite period of time, and was agreed in 2021 between Daimler Truck AG with the Mercedes-Benz Intellectual Property GmbH & Co. KG - a member of the Mercedes-Benz Group. The brand is part of the annual impairment test at the level of the CGUs Mercedes-Benz Trucks and Daimler Buses.

For the annual impairment test of assets that are not subject to scheduled amortization at the CGU level, the following risk-adjusted interest rates were used to determine the value in use:

- For the vehicle-related CGUs, the rounded risk-adjusted interest rates used to discount the cash flows are 9.0% after taxes/13.0% before taxes (December 31, 2023: 9.0% after taxes/12.0% before taxes). The main assumptions used for cash flows are sales trends, which, for all tested CGUs, on average increase slightly over the detailed planning period, and return on sales, which generally also increase slightly.
- For the Financial Services CGU a risk-adjusted interest rate of 10.0% after taxes/14.0% before taxes is applied (December 31, 2023: 10.0% after taxes/14.0% before taxes). The main assumptions used are the return on equity and growth in new business, which on average increase slightly over the detailed planning period.
- For the TORC Robotics, Inc. CGU, a risk-adjusted interest rate of 24.6% after taxes/32.8% before taxes is applied, due to the innovative product of the CGU (December 31, 2023: 20.0% after taxes/26.0% before taxes).

The discount rate for the Financial Services CGU represents the cost of equity, whereas the risk-adjusted interest rate for the cash-generating units of the automotive business and TORC Robotics, Inc. are based on the weighted-average cost of capital (WACC).

The impairment test as of December 31, 2024 did not require any impairment.

Table ↗ **C.27** shows the line items of the Consolidated Statement of Income in which the total amortization expense for intangible assets is included.

C.27

Amortization expense for intangible assets in the Consolidated Statement of Income

	2024	2023
In millions of euros		
Cost of sales	**103**	124
Selling expenses	**5**	5
General administrative expenses	**19**	19
Research and non-capitalized development costs	**10**	10
	138	157

C.28

Intangible assets

	Goodwill	Development costs (internally generated)	Other intangible assets[2]	Total
In millions of euros				
Acquisition/manufacturing costs				
Balance at January 01, 2023	868	1,924	2,036	4,828
Additions due to business combinations	6	–	13	19
Other additions	–	209	71	280
Reclassifications	–	7	-7	–
Disposals	-3	-437	-47	-488
Other changes[1]	-16	-13	-62	-91
Balance at December 31, 2023	855	1,690	2,004	4,548
Additions due to business combinations	–	–	–	–
Other additions	–	404	61	464
Reclassifications	–	1	-1	–
Disposals	-1	-392	-32	-425
Other changes[1]	26	4	-16	14
Balance at December 31, 2024	880	1,706	2,015	4,602
Depreciation				
Balance at January 01, 2023	194	1,164	691	2,049
Additions	–	94	64	157
Disposals	–	-437	-39	-476
Other changes[1]	-5	-11	-41	-58
Balance at December 31, 2023	189	809	673	1,672
Additions	–	79	59	138
Disposals	–	-386	-24	-410
Other changes[1]	8	-6	-8	-7
Balance at December 31, 2024	197	496	700	1,393
Carrying amount at December 31, 2023	666	880	1,330	2,876
Carrying amount at December 31, 2024	684	1,210	1,315	3,209

1 Primarily changes from currency translation.
2 Other intangible assets include assets subject to amortization and assets with indefinite useful lives not subject to amortization. The carrying amount of the right to use the brand Mercedes-Benz at December 31, 2024 was €932 million (December 31, 2023: €932 million).

11. Property, plant and equipment

Property, plant and equipment as shown in the Consolidated Statement of Financial Position with a carrying amount of €8,413 million at December 31, 2024 (December 31, 2023: €7,979 million) includes right-of-use assets related to lessee accounting.

The development of property, plant and equipment, excluding right-of-use assets, is shown in table ↗ C.29.

During 2024, government grants of €21 million (2023: €10 million) were deducted from other additions within property, plant and equipment.

C.29

Property, plant and equipment (excluding right-of-use assets)

In millions of euros	Land, buildings and leasehold improvements	Technical equipment and machinery	Other equipment, factory and office equipment	Advance payments and construction in progress	Total
Acquisition or manufacturing costs					
Balance at January 01, 2023	5,199	6,866	7,330	652	20,047
Additions due to business combinations	9	1	1	1	12
Other additions	66	123	200	629	1,018
Reclassifications	86	135	240	-462	–
Disposals	-35	-119	-120	-27	-300
Other changes[1]	-144	-106	-114	-12	-376
Balance at December 31, 2023	5,182	6,900	7,538	780	20,400
Additions due to business combinations	–	–	–	–	–
Other additions	**62**	**193**	**264**	**895**	**1,414**
Reclassifications	**129**	**184**	**284**	**-580**	**17**
Disposals	**-50**	**-166**	**-254**	**-32**	**-502**
Other changes[1]	**12**	**-8**	**-3**	**22**	**22**
Balance at December 31, 2024	**5,336**	**7,102**	**7,828**	**1,085**	**21,351**
Depreciation					
Balance at January 01, 2023	2,550	5,018	5,629	9	13,206
Additions	108	283	366	–	757
Reclassifications	-9	3	6	–	–
Disposals	-16	-101	-94	-2	-214
Other changes[1]	-55	-72	-84	–	-212
Balance at December 31, 2023	2,577	5,131	5,823	7	13,537
Additions	**114**	**276**	**398**	**1**	**788**
Reclassifications	–	**1**	**-1**	–	–
Disposals	**-25**	**-152**	**-222**	**-3**	**-401**
Other changes[1]	**7**	**-7**	**3**	–	**2**
Balance at December 31, 2024	**2,673**	**5,248**	**6,001**	**5**	**13,926**
Carrying amount at December 31, 2023	2,605	1,770	1,715	773	6,863
Carrying amount at December 31, 2024	**2,663**	**1,855**	**1,828**	**1,080**	**7,425**

1 Primarily changes from currency translation.

Table ↗ C.30 shows the composition of the right-of-use assets.

C.30
Right-of-use assets

In millions of euros	At December 31, 2024	2023
Land, leasehold improvements and buildings	937	1,063
Technical equipment and machinery	13	10
Other equipment, factory and office equipment	38	44
	988	1,117

Tables ↗ C.31 and ↗ C.32 contain additional information related to lessee accounting.

C.31
Additions and depreciations for right-of-use assets

In millions of euros	2024	2023
Additions to right-of-use assets	145	285
Depreciation for		
Land, leasehold improvements and buildings	199	196
Technical equipment and machinery	8	5
Other equipment, factory and office equipment	19	18
	227	219

C.32
Expenses related to lessee accounting

In millions of euros	2024	2023
Interest expense from lease transactions	30	28
Expenses from short-term leases	66	60
Expenses from leases of low-value assets	14	10
Expenses from variable lease payments	13	17

Table ↗ C.33 includes cash outflows related to lessee accounting. Total cash outflow for leasing contracts include expense payments for interest expense, and other expenses related to lessee accounting as shown in table ↗ C.32. Future cash outflows that are not yet reflected in the lease liabilities relate to potential extension options, which are exercisable by the Group.

C.33
Cash outflows related to lessee accounting

In millions of euros	2024	2023
Total cash outflow for leasing contracts	340	330
Future cash outflows that are not reflected in the lease liabilities	931	809

12. Equipment on operating leases

The development of equipment on operating leases is shown in table ↗ C.34.

C.34

Equipment on operating leases

In millions of euros	2024	2023
Acquisition/manufacturing costs		
Balance at January 01	6,447	6,273
Additions	1,616	1,798
Reclassifications	-10	–
Disposals	-1,691	-1,606
Other changes[1]	26	-17
Balance at December 31	6,388	6,447
Depreciation/impairment		
Balance at January 01	1,917	1,840
Additions	821	804
Disposals	-747	-767
Other changes[1]	16	41
Balance at December 31	2,007	1,917
Carrying amount at January 01	4,530	4,433
Carrying amount at December 31	4,381	4,530

1 Primarily changes from currency translation.

Lease payments

Non-cancelable future lease payments to the Daimler Truck Group for equipment on operating leases are due as presented in table ↗ C.35.

C.35

Maturity of undiscounted lease payments for equipment on operating leases

	At December 31,	
In millions of euros	2024	2023
Maturity		
Within one year	853	811
Between one and two years	663	590
Between two and three years	535	478
Between three and four years	407	396
Between four and five years	203	186
Later than five years	110	115
	2,771	2,576

13. Equity-method investments

Table ↗ **C.36** shows the carrying amounts and earnings on equity-method investments.

Table ↗ **C.37** presents key figures on interests in joint ventures accounted for using the equity method in the Daimler Truck Group's Consolidated Financial Statements.

Beijing Foton Daimler Automotive Co., Ltd.
Beijing Foton Daimler Automotive Co., Ltd. is a joint venture between the Daimler Truck Group (50.00%) and Beiqi Foton Motor Co., Ltd. (50.00%). The main activities of Beijing Foton Daimler Automotive Co., Ltd. are the design, development, production/assembly and sales of medium and heavy duty trucks, engines and parts. The investment is allocated to the Trucks Asia segment.

The losses on equity-method investments for Beijing Foton Daimler Automotive Co., Ltd. (BFDA) included in 2024 an impairment loss of €120 million (2023: €0 million) from Q2 2024 triggered by the adverse effects of the current market and economic situation in China.

cellcentric GmbH & Co. KG
cellcentric GmbH & Co.KG is a joint venture of the Daimler Truck Group (50.00%) and the Volvo Group (50.00%) with headquarter in Kirchheim unter Teck, Germany. cellcentric GmbH & Co. KG primarily develops, produces and markets efficient fuel cell systems. cellcentric GmbH & Co. KG's related activities are not allocated to reportable segments and presented under reconciliation within the Segment reporting.

During 2024, the Daimler Truck Group and the Volvo Group made capital contributions in a total amount of €230 million to cellcentric GmbH & Co. KG (2023: €140 million), resulting in an increase in the Daimler Truck Group's equity investment of €115 million (2023: €70 million).

Due to the delayed development of the infrastructure for green hydrogen in the core regions Europe and the USA, as well as the current uncertainty regarding the framework conditions in the USA, the carrying amount of the investment in our fuel cells joint venture cellcentric GmbH & Co. KG was impaired by €281 million as of December 31, 2024. Daimler Truck remains convinced that hydrogen-based vehicles are an essential part of future CO_2e-neutral transportation to achieve the European fleet targets.

C.36

Summarized carrying amounts and gains/losses from equity-method investments

In millions of euros	Associated companies	Joint ventures	Joint operations	Total
At December 31, 2024				
Equity investment[1]	**117**	**679**	**16**	**812**
Equity earnings[1]	**8**	**-614**	**3**	**-603**
At December 31, 2023				
Equity investment[1]	112	922	17	1,051
Equity earnings[1]	9	-124	6	-109

1 Including investor-level adjustments of the Group.

C.37

Key figures on interests in joint ventures accounted for using the equity method

In millions of euros	cellcentric[1,2,3]	BFDA[1,4,5]	Amplify[1,6]	Others	Total
At December 31, 2024					
Equity interest (in %)	**50.0**	**50.0**	**30.0**		
Equity investment	**417**	**–**	**179**	**83**	**679**
Equity earnings	**-404**	**-178**	**-14**	**-19**	**-614**
At December 31, 2023					
Equity interest (in %)	50.0	50.0	30.0		
Equity investment	706	162	–	54	922
Equity earnings	-50	-66	–	-8	-124

1 No dividends were paid to the Daimler Truck Group in any of the presented periods.
2 cellcentric GmbH & Co. KG (cellcentric).
3 The equity earnings 2024 include an adjustment at investor- level from the fourth quarter of 2024 of minus €281 million.
4 Beijing Foton Daimler Automotive Co., Ltd. (BFDA).
5 The equity earnings 2024 include an adjustment of minus €120 million at investor-level from the second quarter of 2024. Additional adjustments at investor-level resulted from the technology license agreement with BFDA from the third and fourth quarter of 2024.
6 Amplify Cell Technologies LLC (Amplify).

Amplify Cell Technologies LLC

In the second quarter of 2024, the Daimler Truck Group, together with Accelera by Cummins and PACCAR (each holding 30% of the shares) together with EVE Energy (10% of the shares), founded the joint venture Amplify Cell Technologies LLC for heavy duty truck battery cell production.

The joint venture is included in the consolidated financial statements under the equity method. Amplify-related activities are assigned to the segment Trucks North America. During 2024, the Daimler Truck Group, Accelera by Cummins, PACCAR and EVE Energy made total capital contributions of €647 million (2023: €0) to Amplify Cell Technologies LLC, resulting in an increase in the Daimler Truck Group's equity investment of €194 million (2023: €0).

Table ↗ C.38 shows summarized IFRS financial information on significant joint ventures accounted for using the equity-method after purchase price allocation which were the basis for equity-method accounting in the Daimler Truck Group.

C.38

Summarized IFRS financial information on significant joint ventures accounted for using the equity-method

	cellcentric		BFDA		Amplify	
	At December 31,		At December 31,		At December 31,	
	2024	2023	2024	2023	2024	2023
In millions of euros						
Information on the Consolidated Statement of Income/Loss[1]						
Revenue	10	18	2,355	2,999	–	–
Depreciation and amortization	-61	-58	-146	-77	–	–
Interest income	1	–	2	2	8	–
Interest expense	–	–	-21	-16	–	–
Income taxes	–	–	15	21	–	–
Profit/loss after taxes	-245	-100	-295	-126	-45	–
Total comprehensive income/loss	-245	-100	-295	-126	-45	–
Information on the Consolidated Statement of Financial Position[1]						
Non-current assets	1,383	1,362	1,661	1,675	183	–
Current assets	120	119	1,082	1,411	479	–
thereof cash and cash equivalents	49	61	34	264	476	
Non-current liabilities	72	32	599	773	12	–
Current liabilities	59	57	1,883	1,626	52	–
Equity (including non-controlling interests)	1,372	1,392	261	686	598	–
Reconciliation of share of IFRS equity[1] to the Group‹s equity-method carrying amounts						
Equity (excluding non-controlling interests) attributable to the Group[1]	686	696	130	343	179	–
Unrealized profit (-)/loss (+) on sales/purchases	–	–	-10	-7	–	–
Other reconciling effects including investor-level adjustments[2] such as goodwill from at-equity valuation and impairment losses and reversals of impairment losses on the investment	-268	10	-121	-173	–	–
Carrying amount of equity-method investment	417	706	–	162	179	–

1 Excluding investor-level adjustments.
2 Including the elimination relating to the Beijing Foton Daimler Automotive Co., Ltd. technology license agreement at December 31, 2023.

Table ↗ **C.39** shows summarized aggregated financial information for other minor equity-method investments after purchase price allocation and on a pro-rata basis. Further information on equity-method investments is provided in Note 37. Related party disclosures.

C.39

Summarized aggregated financial information on minor equity-method investments

	Associated companies		Joint ventures	
	2024	2023	**2024**	2023
In millions of euros				
Summarized aggregated financial information (pro rata)				
Profit/loss after taxes from continuing operations	**8**	9	**-19**	-8
Total comprehensive income/loss	**8**	9	**-19**	-8

14. Receivables from financial services

Table ↗ C.41 shows the components of receivables from financial services.

Types of receivables
Receivables from sales financing with end customers include receivables from credit financing for customers who purchased their vehicles either from a dealer or directly from the Daimler Truck Group.

Receivables from sales financing with dealers include loans for dealer inventory financing programs for vehicles sold by the Industrial Business to dealers. In addition, these receivables also relate to the financing of other assets purchased by dealers from third-parties, in particular used vehicles or real estate financing (e.g. showrooms).

Receivables from finance lease contracts consist of receivables from lease contracts for which substantially all risks and rewards from the lease are transferred to the lessee.

Table ↗ C.40 shows the maturities of future contractual lease payments and the development of lease payments with the carrying amounts of receivables from finance lease contracts.

In 2024, Daimler Truck recognized a gain of €290 million (2023: €249 million) as the difference between the additions to receivables from finance lease contracts and the carrying amounts of the underlying assets (especially in connection with the delivery of vehicles to consolidated companies).

C.40
Development of finance lease contracts

	At December 31, 2024	2023
In millions of euros		
Contractual future lease payments	6,855	5,572
thereof due		
within one year	2,190	1,751
between one and two years	1,598	1,202
between two and three years	1,253	1,064
between three and four years	931	784
between four and five years	483	520
later than five years	399	250
Unguaranteed residual values	329	248
Gross investment	7,184	5,820
Unearned finance income	-956	-711
Gross carrying amount	6,227	5,109
Loss allowances	-100	-86
Net carrying amount	6,127	5,023

Loss allowances
The development of loss allowances for receivables from financial services due to expected credit losses is shown in table ↗ C.42.

In 2024, loss allowances of €298 million were charged to the Consolidated Statement of Income in the Financial Services segment (2023: €88 million).

The increase in loss allowances was driven by portfolio growth and the expectation of higher credit losses, mainly due to credit defaults by individual customers and the recession in the transportation sector in America. This was partially offset by utilization of reserves. Future expectations are regularly updated to reflect the current macroeconomic outlook in loss allowance calculation.

C.41
Receivables from financial services

	At December 31, 2024			At December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
In millions of euros						
Gross carrying amount	14,356	15,136	29,492	12,339	14,400	26,738
Sales financing with end customers	5,582	9,775	15,357	5,225	9,850	15,075
Sales financing with dealers	6,823	1,086	7,908	5,528	1,027	6,555
Finance lease contracts	1,952	4,275	6,227	1,586	3,523	5,109
Loss allowances	-226	-373	-599	-192	-333	-524
Net carrying amount	14,130	14,763	28,893	12,147	14,067	26,214

The carrying amounts of receivables from financial services based on modified contracts that are shown in stages 2 and 3 amounted to €625 million at December 31, 2024 (December 31, 2023: €605 million). In addition, at December 31, 2024 carrying amounts of €167 million in connection with contractual modifications were reclassified from stages 2 and 3 to stage 1 (December 31, 2023: €39 million).

Credit risks
Information on credit risks included in receivables from financial services is shown in table ↗ C.43.

An increase in overdue receivables usually leads to an increase in the loss allowances recognized.

At December 31, 2024, receivables from financial services with a carrying amount of €1,973 million (December 31, 2023: €2,298 million) were pledged as collateral for liabilities from ABS transactions (refer to Note 24. Financing liabilities).

Further information on financial risk and the type of risk is provided in Note 33. Management of financial risks.

C.42

Development of loss allowances for receivables from financial services due to expected credit losses

	12-month expected credit loss	Lifetime expected credit loss		Total
		not credit impaired	credit impaired	
	(Stage 1)	(Stage 2)	(Stage 3)	
In millions of euros				
Balance at January 01, 2023	171	74	301	546
Additions	70	43	138	251
Change in remeasurement	-59	14	66	21
Utilization	-8	-10	-49	-66
Reversals	-87	-36	-113	-236
Transfer to stage 1	52	-17	-34	–
Transfer to stage 2	-11	46	-34	–
Transfer to stage 3	-3	-8	11	–
Currency translation and other changes	-2	1	11	9
Balance at December 31, 2023	123	107	295	524
Additions	**65**	**29**	**108**	**203**
Change in remeasurement	**-29**	**27**	**196**	**194**
Utilization	**-3**	**-13**	**-97**	**-113**
Reversals	**-59**	**-32**	**-96**	**-187**
Transfer to stage 1	**40**	**-28**	**-12**	**–**
Transfer to stage 2	**-6**	**15**	**-8**	**–**
Transfer to stage 3	**-3**	**-20**	**22**	**–**
Currency translation and other changes	**-4**	**-6**	**-13**	**-22**
Balance at December 31, 2024	**124**	**79**	**396**	**599**

C.43

Credit risks included in receivables from financial services

	12-month expected credit loss	Lifetime expected credit loss		Total
		not credit impaired	credit impaired	
	(Stage 1)	(Stage 2)	(Stage 3)	
In millions of euros				
At December 31, 2024				
Gross carrying amount	**27,015**	**1,428**	**1,049**	**29,492**
thereof				
not past due	**26,441**	**636**	**149**	**27,226**
past due 30 days and less	**574**	**136**	**90**	**799**
past due 31 to 60 days	**–**	**454**	**49**	**503**
past due 61 to 90 days	**–**	**203**	**51**	**254**
past due 91 to 180 days	**–**	**1**	**324**	**325**
past due more than 180 days	**–**	**–**	**385**	**385**
At December 31, 2023				
Gross carrying amount	24,293	1,656	789	26,738
thereof				
not past due	23,992	888	378	25,258
past due 30 days and less	301	234	46	581
past due 31 to 60 days	–	357	39	396
past due 61 to 90 days	–	177	50	228
past due 91 to 180 days	–	–	158	158
past due more than 180 days	–	–	118	118

15. Marketable debt securities and similar investments

Marketable debt securities and similar investments with a carrying amount of €2,276 million at December 31, 2024 (December 31, 2023: €1,808 million) are part of the Daimler Truck Group's liquidity management. It primarily comprises of financial instruments recognized at fair value through profit or loss in amount of €1,693 million (2023: €1,365 million), through other comprehensive income in amount of €433 million (2023: €443 million) as well as marketable debt securities and similar investments measured at amortized cost in amount of €150 million (2023: €0 million).

Insofar as short-term liquidity requirements are covered by listed securities, these are presented as current assets.

The increase in marketable debt securities and similar investments is primarily attributable to the increase in money market funds, measured at fair value through profit or loss, as well as marketable debt securities and similar investments measured at amortized cost.

Further information on marketable debt securities and similar investments is provided in Note 1. General information and material accounting policies and Note 32. Financial instruments.

16. Other financial assets

Other financial assets presented in the Consolidated Statement of Financial Position are comprised as shown in table ↗ **C.44**.

Other financial assets recognized at fair value through profit or loss relate exclusively to derivative financial instruments which are not used in hedge accounting.

Other financial receivables and miscellaneous other financial assets include receivables from unconsolidated subsidiaries.

At December 31, 2024, assets with a carrying amount of €155 million (December 31, 2023: €145 million) were pledged as collateral for liabilities (refer to Note 24. Financing liabilities).

Further information on other financial assets is provided in Note 32. Financial instruments.

C.44

Other financial assets

	At December 31, 2024			At December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
In millions of euros						
Equity instruments and debt instruments	–	416	416	–	429	429
Recognized at fair value through other comprehensive income	–	97	97	–	118	118
Recognized at fair value through profit or loss	–	164	164	–	158	158
Measured at amortized cost	–	154	154	–	154	154
Derivative financial instruments used in hedge accounting	70	97	168	49	130	179
Other financial assets recognized at fair value through profit or loss	20	–	20	22	–	22
Other financial receivables and miscellaneous other financial assets	598	218	816	607	264	871
	688	732	1,420	678	823	1,501

17. Other assets

The composition of other non-financial assets can be found in table ↗ **C.45**.

Other expected reimbursements predominantly relate to recovery claims against suppliers in connection with issued product warranties. Miscellaneous other assets primarily relate to assets recognized in connection with sales with a right of return.

C.45

Other assets

	At December 31, 2024			At December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
In millions of euros						
Income tax refunds/reimbursements	262	20	282	144	18	162
Sales tax and other tax refunds/reimbursements	713	21	734	828	18	846
Other expected reimbursements	150	60	210	101	59	160
Prepaid expenses	230	11	241	187	22	209
Miscellaneous other assets	235	302	537	251	268	519
	1,590	414	2,004	1,511	385	1,896

18. Inventories

Inventories are comprised as shown in table ↗ C.46.

C.46
Inventories

	At December 31, 2024	2023
In millions of euros		
Raw materials and manufacturing supplies	1,930	1,946
Work in progress	2,382	2,475
Finished goods, parts and products held for resale	4,669	4,723
Advance payments to suppliers	31	11
	9,012	9,155

In 2024, the amount of write-down of inventories to net realizable value recognized as an expense in cost of sales amounted to €63 million (2023: €91 million). Inventories that are expected to be recovered or settled after more than twelve months amounted to €245 million at December 31, 2024 (2023: €252 million) and are primarily spare parts.

Inventories decreased by €143 million in 2024 and were on prior year level.

To secure obligations from partial retirement and accumulated hour sabbatical accounts in Germany, a portfolio of vehicles and spare parts included in inventories of €190 million (2023: €45 million) and fixed assets (leased assets) of €318 million (2023: €390 million) was pledged as collateral to Daimler Truck Pension Trust e.V. at December 31, 2024.

19. Trade receivables

Trade receivables (non-current and current) are comprised as shown in table ↗ C.47.

C.47
Trade receivables

	At December 31, 2024	2023
In millions of euros		
Gross carrying amount - non-current and current	4,648	5,409
Loss allowances	-323	-147
Net carrying amount	4,325	5,262

Trade receivables are receivables from contracts with customers within the scope of IFRS 15.

Trade receivables decreased by €937 million in 2024. The decrease was primarily due to timing of customer payments in 2024 and higher factoring activities at year-end.

The Daimler Truck Group transferred trade receivables amounting to €160 million (2023: €25 million) to external banks and financial institutions in exchange for cash and cash equivalents. The receivables sold were derecognized as all risks and rewards were transferred to external banks and financial institutions.

Loss allowances

The development of loss allowances for trade receivables due to expected credit losses is shown in table ↗ C.48.

This included a special item of €169 million from the write-down of trade receivables in the third and fourth quarter of 2024, resulting from ongoing discussions with our partner with regard to our China business.

C.48
Development of loss allowances for trade receivables due to expected credit losses

	Lifetime expected credit loss: not credit impaired (Stage 2)	Lifetime expected credit loss: credit impaired (Stage 3)	Total
In millions of euros			
Balance at January 01, 2023	36	119	155
Additions	4	1	4
Change in remeasurement	4	–	3
Utilization	-1	–	-1
Reversals	-2	-1	-2
Transfer to stage 2	–	–	–
Transfer to stage 3	–	–	–
Currency translation and other changes	-4	-9	-12
Balance at December 31, 2023	37	110	147
Additions	9	1	10
Change in remeasurement	5	169	174
Utilization	-2	–	-2
Reversals	-1	–	-1
Transfer to stage 2	–	–	–
Transfer to stage 3	–	–	–
Currency translation and other changes	2	-7	-5
Balance at December 31, 2024	50	273	323

Credit risks

Information on credit risks included in trade receivables is shown in table ↗ C.49.

Further information on financial risk and types of risk is provided in Note 33. Management of financial risks.

C.49
Credit risks included in trade receivables

	Lifetime expected credit loss		Total
	not credit impaired (Stage 2)	credit impaired (Stage 3)	
In millions of euros			
At December 31, 2024			
Gross carrying amount	**4,370**	**278**	**4,648**
thereof			
not past due	**3,499**	**122**	**3,621**
past due 30 days and less	**489**	**–**	**489**
past due 31 to 60 days	**130**	**1**	**131**
past due 61 to 90 days	**38**	**–**	**38**
past due 91 to 180 days	**66**	**8**	**74**
past due more than 180 days	**148**	**147**	**295**
At December 31, 2023			
Gross carrying amount	5,244	165	5,409
thereof			
not past due	3,987	57	4,044
past due 30 days and less	704	–	704
past due 31 to 60 days	162	–	162
past due 61 to 90 days	63	–	63
past due 91 to 180 days	168	1	169
past due more than 180 days	160	106	266

20. Equity

The individual components of equity and their development during 2024 and 2023 are presented in the Consolidated Statement of Changes in Equity of the Daimler Truck Group, refer to ↗ **C.05**.

Share capital
At December 31, 2024, the share capital of Daimler Truck Holding AG amounted to €791,868,289 (2023: €822,951,882). The share capital is divided into 791,868,289 no-par-value shares. Pursuant to Section 67 Subsection 2 Sentence 1 of the German Stock Corporation Act (Aktiengesetz or AktG), rights and obligations arising from shares in relation to the Company exist exclusively for and against the shareholders entered in the share register. With the exception of treasury shares, which do not entitle the company to any rights, all shares confer the same rights. Each share grants its holder one vote and, with the exception of any new shares not entitled to dividends, an equal share in the profits. The rights and obligations arising from the shares are based on applicable law, in particular Sections 12, 53a et seq., 118 et seq. and 186 of the German Stock Corporation Act (AktG).

Treasury shares
On July 10, 2023, the Board of Management and Supervisory Board of Daimler Truck Holding AG resolved to implement a share buyback program worth up to €2 billion (excluding incidental acquisition costs) over a period of up to 24 months.

The shares are to be acquired via the stock exchange in two tranches. As part of the first tranche, 31,083,593 treasury shares were acquired in the period from August 02, 2023 to August 30, 2024 for a total amount of €1,047 million.

In the second tranche, treasury shares will be acquired from September 17, 2024 to August 01, 2025 for a total amount of up to €968 million, up to a maximum of 51,211,595 Daimler Truck shares. The purchase of Daimler Truck shares in the second tranche is based on the authorization of the General Meeting on May 15, 2024. The repurchased shares are to be cancelled and the share capital reduced accordingly.

On November 05, 2024, the Board of Management of Daimler Truck Holding AG decided to cancel 31,083,593 treasury shares and to reduce the company's share capital accordingly by €31,083,593.00. Therefore, the share capital of Daimler Truck Holding AG after the cancellation amounts to €791,868,289 (2023: €822,951,882).

In the reporting period, 23,509,721 treasury shares were repurchased at a total purchase price of €850 million (including expenses for the implementation of the share buyback program), which was reported in the statement of changes in consolidated equity in the “Treasury shares” column. In this context, a current financial liability of €30 million (2023: €103 million) from the maximum purchase obligation of the current share buyback program has been recognized, which has been deducted from the “Consolidated retained earnings”.

The share buyback program is based on the authorization granted by the Annual General Meeting of Daimler Truck Holding AG on November 05, 2021, authorizing the Board of Management to acquire treasury shares, with the approval of the Supervisory Board, up to a maximum of ten percent of the share capital until October 31, 2026.

For a presentation of earnings per share in accordance with IAS 33 “Earnings per Share”, refer to Note 36. Earnings per share.

Capital reserve
The capital reserve amounted to €14,308 million attributable to the spin-off and contribution transactions from 2021 to the capital reserve in accordance with Section 272 Subsection 2 No. 1 HGB. In the financial year, the capital reserve decreased by €31 million due to the cancellation of treasury shares.

Retained earnings
Retained earnings comprise the accumulated profit/loss after tax of Daimler Truck Holding AG and all subsidiaries included in the Consolidated Financial Statements, less distributed profits, as well as the effects of the revaluation of defined benefit pension plans less taxes.

Dividend
A proposal will be made to the Annual General Meeting to distribute €1,486 million (€1.90 per no-par-value share entitled to dividend) to the shareholders from the 2024 distributable profit of Daimler Truck Holding AG and - of the remaining distributable profit - to carry forward €852 million.

The distribution amount stated takes into account the 781,773,636 no-par-value shares entitled to dividends existing on December 31, 2024. As of this time, the Company held 10,094,653 treasury shares, from which it has no rights in accordance with Section 71b German Stock Corporation Act (AktG). As the number of shares entitled to dividends will change by the date of the Annual General Meeting due to the ongoing share buyback program, a resolution proposal that is amended accordingly will be put to the vote at the Annual General Meeting. This resolution proposal will still provide for a dividend of €1.90 per no-par-value share entitled to dividends. The amount of the total dividend payout will be reduced according to the changed number of no-par-value shares entitled to dividends. The amount of the profit carried forward will be increased accordingly.

Other reserves
Other reserves comprise cumulative unrealized gains and losses from currency translation of the financial statements of consolidated foreign companies and cumulative unrealized gains and losses on the measurement of financial assets, derivative financial instruments and equity instruments.

Table ↗ C.02 shows the details of changes in other reserves in other comprehensive income or loss.

21. Share-based payment

At December 31, 2024, the Group had in place the Performance Phantom Share Plans (PPSP) 2021 and 2022 and the Virtual Share-based Equity Plans (VSEP) 2023 and 2024. The PPSP and the VSEP are measured as cash-settled share-based compensation instruments at their respective fair values as of the reporting date. They are paid at the end of their contractually defined terms; early, pro rata payments are only possible under certain conditions when leaving the Group. In the first quarter of 2024, the PPSP 2020 was paid out.

Moreover, 50% of the Board of Management's annual bonus (deferral) will only be paid after waiting a period of one year according to the remuneration system valid until 2022. The actual amount paid out is determined by the performance of the Daimler Truck Holding AG share compared with an automotive-related index (STOXX Europe Auto Index). The fair value of the medium-term portion of the annual bonus, which depends on this further performance, corresponds to the intrinsic value of the commitment as at the reporting date. With the introduction of the remuneration system in 2023 the deferral will no longer apply. The annual bonus will be paid out in full in the year after the reporting date.

The pre-tax effects of the share-based payment transactions on the Consolidated Statement of Income and the Consolidated Statement of Financial Position are shown in table ↗ C.50.

C.50
Effects of share-based payment transactions

	Expense		Provision 31 December	
	2024	2023	**2024**	2023
In millions of euros				
PPSP	**-83**	-136	**205**	295
Medium-term component of the annual bonus of the members of the Board of Management	**–**	-	**-**	6
	-83	-136	**205**	301

Performance Phantom Share Plan and Virtual Share-based Equity Plan
In 2023, the Daimler Truck Group adapted and renamed its long-term share-based compensation. As from 2023 the Performance Phantom Share Plan (PPSP) was replaced by the Virtual Share-based Equity Plan (VSEP) and awarded to eligible employees. Under the PPSP and the VSEP, the Group grants virtual shares to eligible employees who are entitled to receive a cash payment after four years. During the four-year term between the allocation of the preliminary virtual shares and the payout of the plan at the end of the term, the virtual shares earn a dividend equivalent in the amount of the dividends paid in the respective year to actual Daimler Truck Holding AG shares.

The payout amount at the end of the term is based on the (final) number of vested virtual shares (determined after three years depending on the degree of achievement of certain key figures) multiplied by the price of the Daimler Truck Holding AG share (calculated as an average price over a specified period at the end of the four-year plan term). The vesting period is therefore four years. For the existing plans, the price of the Daimler Truck Holding AG share is limited to 2.5 times the price at the date of grant. Furthermore, the payout for the members of the Board of Management is additionally limited to 2.5 times at PPSP and 3 times at VSEP the allotment value used to determine the preliminary number of virtual shares. The limitation of the payout for the members of the Board of Management also includes the dividend equivalents.

For the VSEP granted, target achievement is determined on the basis of the relative share performance and selected sustainability targets of the Daimler Truck Group. The relative share performance measures the performance of the Daimler Truck Holding AG share including dividends (total shareholder return) over a three-year period compared to the performance of a pre-defined peer group, the MSCI World Industrials Index. In addition to the financial performance indicators, the VSEP includes sustainability targets relating to environmental, social and governance (ESG) topics. These sustainability targets are derived from Daimler Truck´s sustainable business strategy and thus reflect awareness of the environment and society.

For the PPSP granted, target achievement is determined on the basis of the relative share performance, which measures the performance of an equity index including dividends (total shareholder return) based on a peer group including Daimler Truck Holding AG in comparison to the performance of the Daimler Truck Holding AG share. In addition, the return on sales (ROS) of the Daimler Truck Group is compared to the ROS of a peer group (revenue-weighted average).

For the current PPSP 2021 the share performance and the ROS for the periods up to the spin-off were calculated based on the performance of Mercedes-Benz Group AG (former Daimler AG), and for the periods after the spin-off based on the performance of Daimler Truck Holding AG. In the period from the first trading day of the Daimler Truck Holding AG share on December 10, 2021 to

December 31, 2021, the average of the prices of the shares of Mercedes-Benz Group AG (former Daimler AG) and Daimler Truck Holding AG was taken into account for the relative share performance. The performance of ROS was calculated until the end of 2021 based on Mercedes-Benz Group AG (former Daimler AG).

Special regulations apply to the PPSP 2021 for the members of the Board of Management of Daimler Truck Holding AG, who were previously members of the Board of Management of Mercedes-Benz Group AG (former Daimler AG): The Daimler Truck Group ROS must be higher than the same average ROS of the peer group in order to obtain the same target achievement as the other plan participants. In this case, the deviation of the average ROS of the Daimler Truck Group from the average ROS of the peer group multiplied by 1.05 determines the level of the success factor. Furthermore, a limit on target achievement was agreed upon the ROS reference parameter. In the case of target achievement between 195% and 200%, an additional comparison is made based on the achieved ROS in absolute terms. Accordingly, if, in the third year of the performance period, the actual ROS of the Daimler Truck Commercial Vehicles business is below the strategic target return value of 9%, the target achievement is restricted to 195%.

The Group recognizes a provision for awarding the PPSP and the VSEP in the Consolidated Statement of Financial Position in provisions for other risks. Since payment per vested virtual share depends on the price of the Daimler Truck Holding AG share, that price essentially represents the fair value of each virtual share as of the reporting date. The proportionate expense from the PPSP and the VSEP recognized in the individual years are measured based on the price of the Daimler Truck Holding AG share and the estimated target achievement.

22. Pensions and similar obligations

Table ↗ C.51 shows the composition of provisions for pensions and similar obligations.

The Daimler Truck Group operates defined benefit pension plans and, to a lesser extent, defined contribution pension plans, specific to the various countries. In addition, healthcare benefit obligations are recognized, especially in the United States.

C.51

Composition of provisions for pensions and similar obligations

	At December 31, 2024	2023
In millions of euros		
Provision for pension benefits	**610**	651
Provision for other post-employment benefits	**538**	561
	1,149	1,212

Defined benefit pension plans

Provisions for pension obligations are made for defined commitments to active and former employees of the Daimler Truck Group and their surviving dependents. The defined benefit pension plans provided by the Daimler Truck Group generally vary according to the economic, tax and legal circumstances of the country concerned. The defined benefit pension plans also generally provide benefits in the case of invalidity and death.

The Daimler Truck Group's main pension plans are described below.

German pension plans and pension plan assets

Most employees in Germany have defined benefit pension plans; most of the pension plans for the active workforce are based on individual retirement benefit accounts, to which the Daimler Truck Group makes annual contributions. The amount of the contributions for employees paid according to wage-tariff agreements depends on the tariff classification in the respective year or on their respective income, and for executives it depends on their respective income. For the commitments made until 2011, the contributions continue to be converted into capital components and credited to the individual pension accounts with the application of fixed factors related to each employee's age. The conversion factors include a fixed value increase. For the commitments made from 2011 onwards, the Daimler Truck Group guarantees at a minimum the value of the contributions paid into a cash-balance plan. Pension payments are made either as a life annuity, twelve annual installments, or a single lump sum.

In addition, previously concluded defined benefit plans exist which primarily depend on employees' wage-tariff classification upon transition into the benefit phase and which foresee a life annuity.

As well as the employer-financed pension plans granted by German companies, the employees of some companies are also offered various deferred compensation models.

The pension obligations in Germany relating to defined benefit pension plans are funded by investment funds. The assets are held within contractual trust arrangements (CTAs) between Daimler Truck Pension Trust e.V. and Daimler Truck AG, Daimler Buses GmbH (formerly known as EvoBus GmbH) and Daimler Truck Financial Services GmbH in Germany.

US pension plans and pension plan assets

There are several defined benefit pension plans in the US that cover retirement and disability benefits and promise a balance at retirement age or monthly benefits. The majority of the plans are defined contribution plans and the plan benefits depend on the employee's salary, years of credited service, or both. While most employee-financed plans are still open for new entrants, most of the employer-financed plans are closed for new entrants or no further benefit entitlements can be acquired. The contributions are deducted from the employee's payroll and partially topped up by the employer. The promised benefits have an implicit return on plan assets. Most of the US pension plans are funded by contributions paid into a trust.

Other countries' pension plans and pension plan assets

Other significant plans exist primarily in Japan, where the majority of the plans are frozen and no significant new entitlements can be earned under these plans. The plans are related to final salaries as well as salary-based components. Most of the obligations outside Germany from defined benefit pension plans are funded by investment funds.

Risks from defined benefit pension plans and pension plan assets

The general requirements with regard to retirement benefit models are included in guidelines valid for the entire Daimler Truck Group. Accordingly, the committed benefits are intended to contribute to additional financial security during retirement, and in the case of death or invalidity to be capable of being planned and fulfilled by the respective legal entity or operations of the Daimler Truck Group, and to have a low-risk structure. In addition, a committee exists that approves new pension plans and amendments to existing pension plans as well as guidelines relating to company retirement benefits.

The obligations from defined benefit pension plans and the pension plan assets can be subject to fluctuations over time. This can cause the funded status to be negatively or positively impacted. Fluctuations in the defined benefit pension obligations result at the Daimler Truck Group in particular from changes in financial assumptions such as discount rates and increases in the cost of living, but also from changes in demographic assumptions such as adjusted life expectancies. With most of the plans, expected long-term wage and salary increases do not have an impact on the amount of the obligation.

The fair value of plan assets is predominantly determined by the situation on the capital markets. Unfavorable developments, especially of equity prices and fixed-interest securities, could reduce that fair value. The broad diversification of investments, the selection of asset managers using quantitative and qualitative analyses, and the continual monitoring of returns and risk help to reduce the associated investment risk. The Group regularly makes contributions to plan assets to fund future obligations from defined benefit pension plans.

As a general principle, it is the Daimler Truck Group’s objective to design new pension plans as defined benefit plans based on capital components or on annual contributions, or as defined contribution plans.

Reconciliation of the net obligation from defined benefit pension plans

The development of the relevant factors is shown in table ↗ C.52.

C.52

Present value of defined benefit pension obligations and fair value of plan assets

	2024				2023			
	Total	German Plans	US Plans	Other	Total	German Plans	US Plans	Other
In millions of euros								
Present value of the defined benefit obligation at January 01	6,251	4,179	1,642	430	5,903	3,834	1,608	461
Current service cost	155	99	42	14	156	99	40	17
Interest cost	223	126	78	20	228	132	84	13
Contributions by plan participants	1	–	–	1	1	–	–	1
Actuarial gains (-)/losses	-81	-99	9	9	278	194	69	15
Actuarial gains (-)/losses from changes in demographic assumptions	-2	-2	–	–	-6	-9	–	3
Actuarial gains (-)/losses from changes in financial assumptions	-104	-88	-10	-6	296	228	64	4
Actuarial gains (-)/losses from experience adjustments	26	-9	19	15	-12	-25	5	8
Past service cost, curtailments and settlements	19	1	18	–	–	–	–	–
Pension benefits paid	-243	-119	-100	-25	-230	-103	-97	-30
Currency exchange-rate changes and other changes	126	36	109	-19	-84	23	-60	-47
Present value of the defined benefit obligation at December 31	6,452	4,222	1,799	432	6,251	4,179	1,642	430
Fair value of plan assets at January 01	5,654	3,907	1,495	253	5,360	3,654	1,463	243
Actual result on plan assets	276	222	38	15	450	289	143	18
Interest income from plan assets	191	119	69	4	207	127	76	4
Actuarial gains/losses (-)	85	104	-31	12	244	161	68	14
Contributions by the employer	77	24	34	19	90	40	29	20
Contributions by plan participants	1	–	–	1	1	–	–	1
Pension benefits paid	-220	-119	-88	-13	-207	-102	-86	-20
Currency exchange-rate changes and other changes	100	9	97	-5	-40	25	-54	-10
Fair value of plan assets at December 31	5,889	4,043	1,576	270	5,654	3,907	1,495	253
Funded status at December 31	-563	-179	-223	-161	-597	-272	-147	-178
actuarial loss due to asset ceiling	–	–	–	–	–	–	–	–
Net defined benefit liability	-563	-179	-223	-161	-597	-272	-147	-178
thereof recognized in other assets	48	9	36	3	55	3	49	3
thereof recognized in provisions for pensions and similar obligations	-610	-187	-259	-164	-651	-275	-196	-181

Composition of plan assets

Plan assets are used solely to provide pension benefits and to cover the administration costs of the plan assets. The composition of the Daimler Truck Group's pension plan assets is shown in table ↗ C.53.

Market prices are usually available for equities and bonds due to their listings in active markets. Most of the bonds have investment-grade ratings. This includes government bonds with very good credit ratings.

The investment strategy is reviewed regularly and adjusted if deemed necessary. The investment strategy is determined by Investment Committees, which are generally composed of representatives of the Finance and Human Resources departments of Daimler Truck AG, Daimler Truck Financial Services GmbH and Daimler Buses GmbH. The pension plan assets are generally oriented towards the structure of the pension obligations.

Pension cost

The components of net pension cost included in the Consolidated Statement of Income are shown in table ↗ C.54.

C.53

Composition of plan assets

	At December 31, 2024				At December 31, 2023			
	Total	German Plans	US Plans	Other	Total	German Plans	US Plans	Other
In millions of euros								
Equity instruments	1,507	1,207	223	77	1,425	1,102	254	69
Bonds	3,008	1,838	1,023	147	2,932	1,798	996	138
Government bonds	727	373	271	82	625	420	131	74
Corporate bonds	2,281	1,465	751	65	2,306	1,378	865	63
Securitized bonds	1	–	–	1	1	–	–	1
Other exchange-traded instruments	32	31	–	–	21	20	–	1
Exchange-traded instruments	4,547	3,076	1,246	225	4,377	2,920	1,249	208
Alternative investments	188	34	132	22	199	4	175	20
Real-estate	42	–	29	13	47	–	34	13
Other non-exchange-traded instruments	453	448	–	5	473	468	–	5
Cash and cash equivalents	660	485	169	6	558	514	37	7
Non-exchange-traded instruments	1,342	967	330	46	1,277	986	246	45
Fair value of plan assets	5,889	4,043	1,576	270	5,654	3,907	1,495	252

C.54

Pension cost

	2024				2023			
	Total	German Plans	US Plans	Other	Total	German Plans	US Plans	Other
In millions of euros								
Current service cost	-155	-99	-42	-14	-156	-99	-40	-17
Past service cost, curtailments and settlements	-19	-1	-18	–	–	–	–	–
Net interest expense	-32	-7	-9	-16	-22	-5	-8	-9
	-207	-107	-69	-31	-177	-104	-47	-26

Measurement assumptions

The measurement date for the Daimler Truck Group's defined benefit pension obligations and plan assets is generally December 31. The measurement date for the Daimler Truck Group's net periodic pension cost is generally January 01. The assumptions used to calculate the defined benefit obligations vary according to the economic conditions of the countries in which the pension plans are situated. Calculation of the defined benefit obligations for the German plans uses life expectancy based on the 2018 G Heubeck mortality tables. The tables reflect the latest statistics of the statutory pension insurance system and of the German Federal Statistical Office. Comparable country-specific calculation methods are used for non-German plans.

Table ↗ C.55 shows the significant weighted-average measurement factors used to calculate pension benefit obligations.

Sensitivity analysis

An increase or decrease in the main actuarial assumptions would affect the present value of the defined benefit pension obligations as shown in table ↗ C.56.

The calculations carried out by actuaries were done in isolation for the evaluation parameters regarded as material. This means that if there is a simultaneous change in several parameters, the individual results cannot be summed due to correlation effects. With a change in the parameters, the sensitivities shown cannot be used to derive a linear development of the defined benefit obligation.

For the calculation of the sensitivity of life expectancy, by means of fixed (non-age-dependent) factors for a reference person, a one-year higher or lower life expectancy was assumed.

C.55

Significant factors for the calculation of pension benefit obligations

	At December 31, 2024	At December 31, 2023	At December 31, 2024	At December 31, 2023	At December 31, 2024	At December 31, 2023
	German Plans	German Plans	US Plans	US Plans	Other	Other
In percent						
Discount rates	**3.4**	3.3	**5.7**	5.1	**6.0**	5.0
Expected increase in cost of living[1]	**2.0**	2.2	**–**	–	**–**	–

1 For German plans, expected increases in cost of living may affect – depending on the design of the pension plan – the obligation to the Daimler Truck Group's active employees as well as to retirees and their survivors. For most non-German plans, expected increases in cost of living do not have a material impact on the amount of the obligation.

C.56

Sensitivity analysis for the present value of defined benefit pension obligations

		At December 31, 2024				At December 31, 2023			
		Total	German Plans	US Plans	Other	Total	German Plans	US Plans	Other
In millions of euros									
Sensitivity for discount rates	0.25%	**-186**	**-124**	**-50**	**-12**	-188	-130	-47	-12
Sensitivity for discount rates	-0.25%	**192**	**131**	**52**	**8**	193	137	49	7
Sensitivity for expected increases in cost of living	0.10%	**5**	**5**	**–**	**–**	6	6	–	–
Sensitivity for expected increases in cost of living	-0.10%	**-8**	**-5**	**–**	**-3**	-9	-6	–	-3
Sensitivity for life expectancy	+1 year	**71**	**24**	**48**	**–**	102	23	79	-1
Sensitivity for life expectancy	-1 year	**-76**	**-21**	**-50**	**-5**	-108	-21	-82	-4

Effect on future cash flows
The Daimler Truck Group currently plans to make contributions of €146 million to its pension plans for 2025. The final amount is generally determined in the fourth quarter of a financial year. In 2024, allocations to plan assets amounted to €77 million (2023: €90 million).

The Daimler Truck Group anticipates pension payments of €248 million in 2025.

The weighted-average durations of the defined benefit obligations are shown in table ↗ C.57.

C.57
Weighted-average duration of the defined benefit obligations

	At December 31,	
	2024	2023
In years		
German plans	14	14
US plans	13	13
Other plans	10	9

Defined contribution pension plans
Under defined contribution pension plans, the Daimler Truck Group makes defined contributions to external insurance policies or investment funds. There are fundamentally no further contractual obligations or risks for the Daimler Truck Group in excess of the defined contributions. The Daimler Truck Group also pays contributions to governmental pension schemes. In 2024, the total expenses from defined contribution plans amounted to €641 million (2023: €607 million). Of those payments, €519 million (2023: €495 million) was related to governmental pension plans and €121 million (2023: €111 million) to defined contribution pension plans.

Other post-employment benefits
Certain foreign legal entities and operations included in the Daimler Truck Group, mainly in the United States, provide their employees with post-employment health care benefits with defined entitlements, which have to be accounted for as defined benefit plans. Since the plans are unfunded, the balance sheet liability equals the present value of the defined benefit obligations of €538 million (December 31, 2023: €561 million). The net expense amounted to €35 million (2023: €39 million).

Risks in connection with commitments for other post-employment benefits (medical care) relate to rising healthcare costs and lower contributions to those costs from the public sector. In addition, these plans are subject to the usual risks for defined benefit plans, in particular the risk of changes in discount rates.

23. Provisions for other risks

The development of provisions for other risks is summarized in table ↗ C.58.

Product warranties
The Daimler Truck Group issues various types of product warranties, under which it generally guarantees the performance of products delivered and services rendered for a certain period. The provision for these product warranties covers expected costs for legal and contractual warranty claims as well as expected costs for goodwill concessions and product recalls. The utilization date of product warranties depends on the incidence of the warranty claims and can span the entire term of the warranty and goodwill period. The cash outflows in relation to provisions for product warranties are primarily expected within a period until 2026.

Personnel and social costs
Provisions for personnel and social costs primarily comprise expected expenses of the Daimler Truck Group for employee anniversary bonuses, employee and management bonuses, and early-retirement plans. The additions recorded to the provisions for profit sharing and management bonuses in the reporting year generally lead to cash outflows in the following year. The cash outflows for provisions for personnel and social costs are primarily expected within a period until 2029.

Liability and litigation risks and regulatory proceedings
Provisions for liability and litigation risks and regulatory proceedings comprise costs for various legal proceedings, claims and governmental investigations, which can lead in particular to payments of compensation, punitive damages or other costly actions. Cash outflows from provisions for liability and litigation risks as well as regulatory proceedings are mainly expected within a period up to 2027.

Further information on liability and litigation risks and regulatory proceedings is provided in Note 30. Legal proceedings.

Other
Provisions for other risks primarily comprise expected costs for provisions for environmental protection risks, decommissioning costs, sales expenses, other taxes and restructuring measures (including compensation payments). They also include provisions for risks of loss from pending transactions and various other risks which cannot be allocated to any other class of provision.

C.58

Provisions for other risks

In millions of euros	Product warranties	Personnel and social costs	Liability and litigation risks and regulatory proceedings	Other	Total
Balance at January 01, 2023	1,952	1,569	997	431	4,949
Additions	1,484	1,051	56	227	2,819
Utilizations	-1,030	-766	-79	-223	-2,097
Reversals	-172	-131	-72	-68	-442
Compounding and effects from changes in discount rates	52	41	32	4	129
Currency translation and other changes	-56	25	-11	-12	-54
Balance at December 31, 2023	2,231	1,790	923	360	5,303
thereof current	983	1,124	153	260	2,520
thereof non-current	1,248	666	770	100	2,784
Additions	**1,432**	**873**	**226**	**274**	**2,804**
Utilizations	**-1,065**	**-1,015**	**-129**	**-162**	**-2,370**
Reversals	**-223**	**-113**	**-22**	**-37**	**-395**
Compounding and effects from changes in discount rates	**64**	**27**	**34**	**3**	**128**
Currency translation and other changes	**63**	**16**	**-23**	**-8**	**48**
Balance at December 31, 2024	**2,503**	**1,579**	**1,009**	**429**	**5,519**
thereof current	**1,110**	**940**	**251**	**280**	**2,580**
thereof non-current	**1,393**	**638**	**758**	**149**	**2,939**

24. Financing liabilities

The composition of financing liabilities is shown in table ↗ **C.59**. Information on the maturities is provided in Note 33. Management of financial risks.

In the financial year 2024, financing liabilities increased primarily due to the issuance of bonds of €5,299 million. This was offset by the repayment of bonds in the amount of €2,751 million.

In 2024 Daimler Truck launched, in addition to the existing commercial paper program in the USA, a commercial paper program in Euro and Canadian dollar for the first time, for which financing liabilities of €696 million are disclosed as of December 31, 2024.

Liabilities to financial institutions include a current financial liability of €30 million from the maximum purchase obligation of the current share buyback program.

The non-controlling interests included in the financing liabilities are held by Mercedes-Benz Grund Services GmbH in the entities Gamma (1-4) Daimler Truck Grundstücksverwaltung GmbH & Co. OHGs and Daimler Buses Grundstücksverwaltung GmbH & Co. OHG and are accounted for as financing liabilities in accordance with IAS 32.

C.59
Financing liabilities

	At December 31, 2024			At December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
In millions of euros						
Notes/bonds	3,995	13,166	17,161	2,678	11,527	14,205
Commercial paper	696	–	696	90	–	90
Liabilities to financial institutions	4,167	3,332	7,499	4,388	2,882	7,269
Liabilities from ABS transactions	1,008	638	1,646	905	1,085	1,990
Lease liabilities	205	815	1,020	189	960	1,149
Loans and other financing liabilities	223	192	415	352	458	810
Non-controlling shareholdings (puttable instruments) in accordance with IAS 32	–	229	229	–	213	213
	10,293	18,373	28,666	8,602	17,125	25,727

25. Other financial liabilities

The composition of other financial liabilities is shown in table ↗ **C.60**.

Financial liabilities measured at fair value through profit or loss relate to derivative financial instruments, which are not used in hedge accounting.

Further information on other financial liabilities is provided in Note 32. Financial instruments.

C.60
Other financial liabilities

	At December 31, 2024			At December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
In millions of euros						
Derivative financial instruments used in hedge accounting	**62**	**423**	**485**	50	399	449
Financial liabilities recognized at fair value through profit or loss	**6**	**22**	**28**	25	14	39
Miscellaneous other financial liabilities	**2,659**	**1,233**	**3,892**	2,795	1,401	4,197
Liabilities from residual value guarantees	**477**	**1,109**	**1,586**	636	1,271	1,907
Liabilities from wages and salaries	**550**	**–**	**550**	563	–	563
Accrued interest expenses	**719**	**–**	**719**	645	–	645
Deposits received	**288**	**19**	**306**	319	21	340
Other	**625**	**105**	**730**	633	109	742
	2,727	**1,678**	**4,405**	2,870	1,814	4,684

26. Deferred income

The composition of deferred income is shown in table ↗ **C.61**.

The decrease during 2024 was mainly due to the deferral of sales revenue received from sales with residual value guarantees in companies of Industrial Business.

C.61
Deferred income

	At December 31, 2024			At December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
In millions of euros						
Deferral of sales revenue received from sales with residual value guarantees	**370**	**778**	**1,148**	466	960	1,426
Deferral of advance rental payments received from operating lease arrangements	**45**	**13**	**58**	24	5	30
Other deferred income	**39**	**26**	**65**	32	19	51
	454	**817**	**1,271**	522	984	1,506

27. Contract and refund liabilities

Table ↗ **C.62** shows the composition of contract and refund liabilities.

Other contract liabilities and other refund liabilities primarily include advanced payments and sales with a right of return, respectively.

C.62

Contract and refund liabilities

	At December 31,	
	2024	2023
In millions of euros		
Contract liabilities	**3,648**	3,505
Service and maintenance contracts and extended warranties	**3,054**	2,795
Other contract liabilities	**594**	710
Refund liabilities	**678**	771
Obligations from sales transactions	**491**	530
Other refund liabilities	**187**	241
Contract and refund liabilities	**4,326**	4,275
thereof non-current	**2,273**	2,106
thereof current	**2,053**	2,169

28. Other liabilities

Table ↗ **C.63** shows the composition of other liabilities.

C.63

Other liabilities

	At December 31, 2024			At December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
In millions of euros						
Income tax liabilities	**184**	**132**	**316**	287	95	382
Other tax liabilities	**590**	**1**	**591**	581	–	581
Miscellaneous other liabilities	**93**	**11**	**104**	208	12	220
	867	**144**	**1,011**	1,076	107	1,183

29. Consolidated Statement of Cash Flows

Calculation of funds
As of December 31, 2024, cash and cash equivalents included restricted funds of €45 million (December 31, 2023: €151 million). The restricted funds primarily relate to cash and cash equivalents held in subsidiaries where exchange controls apply so that the Daimler Truck Group has restricted access to the funds.

During 2024, cash and cash equivalents decreased by €514 million after adjusting for exchange-rate effects, mainly due to cash outflows from investing activities as well as dividends paid and the share buyback program. The decrease was offset by cash inflows from operating activities and by borrowings on international money and capital markets.

In 2023, the cash and cash equivalents increased by €1,123 million. This was primarily due to cash inflows from borrowings in the international money and capital markets, as well as cash outflows from operating activities, money market funds, and from the repayment of financing liabilities. The dividends paid and the share buyback program led to additional cash outflows.

Cash provided by operating activities
In 2024 and 2023, the increase in receivables from financial services had a negative effect on cash flows from operating activities, which is primarily driven by new business in the Financial Services segment.

Other non-cash expense and income primarily relates to the Group's share of earnings from equity-method companies as well as the impairment of the equity-method investments in Beijing Foton Daimler Automotive Co., Ltd. (BFDA) and fuel cell joint venture cellcentric GmbH & Co. KG. These are explained in Note 13. Equity-method investments.

The cash flows from operating activities in 2024 were also positively affected by trade receivables sold to external banks and financial institutions of €160 million (2023: €25 million) and are referred to in Note 19. Trade receivables.

Some companies within the Daimler Truck Group participate in various supplier financing arrangements. The amounts covered by the arrangements are reported under trade payables, as the nature and function of these liabilities remain the same as other trade payables. These are described in Note 32. Financial instruments.

Composition of other operating assets and liabilities are shown in table ↗ C.64.

C.64
Other operating assets and liabilities

In millions of euros	2024	2023
Provisions	256	463
Financial instruments	16	57
Miscellaneous other assets and liabilities	-669	296
	-397	816

Table ↗ C.65 shows additional cash flows included in cash provided by operating activities.

C.65
Cash flows included in cash flows from operating activities

In millions of euros	2024	2023
Interest paid	-163	-62
Interest received	456	351
Dividends received from equity-method investments	11	16
Dividends received from other shareholdings	25	9

Cash flows from investing activities
In 2024, cash flows from investing activities included €1,876 million related to additions to property, plant and equipment and intangible assets (2023: €1,305 million). The cash outflows also resulted from the acquisition of shareholdings in the amount of €325 million (2023: €206 million).

Furthermore, as explained in Note 32. Financial instruments, the short-term investments in mutual funds are also reflected as cash flows from investing activities.

Cash flows from financing activities
Cash flows from financing activities resulted primarily from raising funds on the international money and capital markets by issuing bonds predominantly in the USA, the Netherlands and Canada, from issuing Asset-Backed-Securities (ABS), and, in 2024, offset by dividends paid to the shareholders of Daimler Truck Holding AG of €1,528 million and the commencement of the share buyback program (including expenses for the implementation of the share buyback program) of €850 million.

Table ↗ C.66 shows the changes in financing liabilities arising from financing activities, including cash flows from hedging the currency risks of financing liabilities, divided into cash and non-cash components.

The net cash inflows from financing liabilities includes payments for the reduction of outstanding leasing liabilities of €232 million (2023: €217 million).

C.66
Changes in financing liabilities arising from financing activities[1]

	2024	2023
In millions of euros		
Balance at January 01[1]	25,747	20,838
Net cash inflows from financing liabilities	2,909	4,654
Non-cash effects:		
Changes in foreign exchange rates	-91	-400
Changes in market valuation and currency hedges for financing liabilities	66	235
Changes in financial liabilities due to the share buyback program	-70	103
Fair value changes from derivatives	-18	12
Other changes	113	304
Balance at December 31[1]	28,655	25,747

1 Liabilities arising from financing activities include hedging activities related to financing transactions of €-10 million at December 31, 2024 (December 31, 2023: € +20 million; January 01, 2023: €-1 million).

30. Legal proceedings

The subsidiaries of Daimler Truck Holding AG (especially Daimler Truck AG) are confronted with various legal proceedings, claims as well as governmental investigations and orders (legal proceedings) on a large number of topics. These include, for example, vehicle conformity and vehicle safety, dealer, supplier and other contractual relationships, financial services, industrial property rights (in particular patent infringement suits), warranty claims, export controls and economic sanctions and antitrust proceedings (including claims for damages). If the outcome of such legal proceedings is negative for the Daimler Truck Group or such legal proceedings are settled, the Group may be required to pay substantial compensatory and punitive damages or to undertake service actions, recall campaigns, monetary penalties or other costly actions. Legal proceedings and related settlements may have an impact on the Group's reputation.

In particular, vehicle manufacturers such as Daimler Truck Group can face regulatory investigations and fines for non-compliance with various governmental standards or rules as well as customer claims and litigation arising from any defects and the resulting consequences on product use or safety. Class action lawsuits, if filed, and product liability, in particular, can have substantial financial consequences.

The Group generally records warranty provisions in its Financial Statements based on past experience and known claims, but such provisions may not be adequate for any liability ultimately incurred as a result of potential vehicle defects. In addition, defective products, product liability claims, warranty claims, product recalls and other similar proceedings could damage the Group's reputation.

Antitrust law proceedings (including actions for damages)
Mercedes-Benz Group AG (formerly Daimler AG), as the former parent entity of Daimler Truck AG, was addressee of an antitrust proceeding initiated by the European Commission. In July 2016, the European Commission issued a settlement decision against Daimler AG and four other European truck manufacturers for their participation in anti-competitive behavior in violation of European antitrust rules with regard to pricing and passing on the costs of complying with stricter emission rules for trucks. The European Commission found that Daimler AG participated in the relevant arrangements from January 17, 1997 to January 18, 2011. The individual fine imposed on Daimler AG by the European Commission's settlement decision amounted to €1.09 billion and was paid in full in 2016.

Following the settlement decision by the European Commission, legal actions, class actions and other forms of legal redress for damages by direct and indirect truck customers have been filed or initiated in several jurisdictions. Damage claims could result in substantial liabilities for the Daimler Truck Group as well as significant costs expended for defense measures, which may have a material adverse effect on its operations and financial resources.

In relation to the cartel infringement described above, most substantial claims (including certain types of class actions or aggregator claims) are pending or have been initiated in Germany, the United Kingdom, the Netherlands, and Spain. Claims are also pending in certain other European countries and in Israel (in a total of approximately 20 countries).

The Daimler Truck Group takes appropriate legal remedies to defend itself and reflects the constantly evolving jurisprudence in its risk assessments and strategic decisions.

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" (paragraph 92), no further information is disclosed with respect to whether, or to what extent, provisions have been recognized and/or contingent liabilities have been disclosed, so as not to prejudice the Group's position.

Accounting estimates and management judgments relating to all legal proceedings
Risks resulting from legal proceedings sometimes cannot be assessed reliably or only to a limited extent. Consequently, provisions recognized for some legal proceedings may turn out to be insufficient once such proceedings have ended. The Group may also become liable for payments in legal proceedings for which no provisions were recognized and/or contingent liabilities were disclosed. Uncertainty exists with regard to the amounts or due dates of possible cash outflows. Although the final result of any such proceedings could materially affect the Daimler Truck Group's operating results and cash flows for a particular reporting period, the Daimler Truck Group believes that it should not exert a sustained influence on the Group's profitability, liquidity and capital resources or financial position.

31. Contingent liabilities and other financial obligations

Contingent liabilities
As of December 31, 2024, the best-possible estimate of contingent liabilities was €605 million (December 31, 2023: €575 million). The contingent liabilities mainly related to legal proceedings.

Other financial obligations
At December 31, 2024, contractual obligations from the acquisition of intangible assets, property, plant and equipment and equipment on operating leases amounted to €537 million (December 31, 2023: €640 million). At December 31, 2024 other financial obligations amounted to €960 million (December 31, 2023: €388 million) which includes capital commitments to the joint ventures Greenlane Infrastructure, LLC, Commercial Vehicle Charging Europe B.V. and Amplify Cell Technologies LLC.

In addition, the Daimler Truck Group had issued irrevocable loan commitments at December 31, 2024 and 2023. These loan commitments had not been utilized as of that date. Further information on irrevocable loan commitments can be found in Note 33. Management of financial risks.

Other financial obligations after the 2019 hive-down
In 2019, Mercedes-Benz Group AG hived down parts of its business operations into Daimler Truck AG and Mercedes-Benz AG. Pursuant to Section 133 of the German Transformation Act (Umwandlungsgesetz or UmwG), all three legal entities are jointly and severally liable for all liabilities of Mercedes-Benz Group AG that existed as of the registration date of the hive-down into the commercial register.

Daimler Truck AG was liable for these liabilities that existed before the spin-off taking effect for a period of five years, starting as of the date of the announcement of the registration of the hive-down into the commercial register of Mercedes-Benz Group AG at the District Court of Stuttgart. The liability period for pension obligations based on the German Company Pensions Act (Betriebsrentengesetz), the aforementioned period is ten years.

Other financial obligations after the 2021 spin-off
In December 2021, Mercedes-Benz Group AG spun off and hived down its shares of Daimler Truck AG to Daimler Truck Holding AG. Pursuant to Section 133 UmwG, Daimler Truck Holding AG is jointly and severally liable with Mercedes-Benz Group AG for all liabilities of Mercedes-Benz Group AG that existed as of the registration date of the spin-off and hivedown in the commercial register including those from the 2019 hive-down.

Daimler Truck Holding AG will be liable for those liabilities that existed before the spin-off took effect for a period of five years, starting as of the date of the announcement of the registration of the spin-off and hive-down into the commercial register of Mercedes-Benz Group AG. The liability period for pension obligations based on the German Company Pensions Act (Betriebsrentengesetz), the aforementioned period is ten years.

Pension commitments are covered by planned assets (refer to Note 22. Pensions and similar obligations) and are not included in the potential obligations.

According to the current appraisal, a claim with respect to the subsequent liability relationship between the entities is considered to be unlikely.

32. Financial instruments

Carrying amounts and fair values of financial instruments
Table ↗ C.67 shows the carrying amounts and fair values for the respective classes of the Group's financial instruments, excluding equity instruments measured at amortized cost and not in the scope of IFRS 9, and lease liabilities. The equity instruments, which are recognized at fair value through other comprehensive income, are shown in table ↗ C.67 and comprise several investments not individually material. The Daimler Truck Group does not generally intend to sell the equity instruments presented at December 31, 2024.

The fair value of a financial instrument 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. Given the varying influencing factors, the reported fair values can only be viewed as indicators of the prices that may actually be achieved on the market.

The fair values of financial instruments were calculated on the basis of market information available on the balance sheet date. The methods and premises used are explained in Note 1. General information and material accounting policies.

C.67

Carrying amounts and fair values of financial instruments

	At December 31, 2024		At December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
In millions of euros				
Financial assets				
Receivables from financial services	28,893	28,635	26,214	26,066
Trade receivables	4,325	4,325	5,262	5,262
Cash and cash equivalents	6,553	6,553	7,067	7,067
Marketable debt securities and similar investments	2,276	2,276	1,808	1,808
Recognized at fair value through other comprehensive income	433	433	443	443
Recognized at fair value through profit or loss	1,693	1,693	1,365	1,365
Measured at amortized cost	150	150	–	–
Other financial assets				
Equity instruments and debt instruments	262	262	275	275
Recognized at fair value through other comprehensive income	97	97	118	118
Recognized at fair value through profit or loss	164	164	158	158
Other financial assets recognized at fair value through profit or loss	20	20	22	22
Derivative financial instruments used in hedge accounting	168	168	179	179
Other financial receivables and miscellaneous other financial assets	816	816	871	871
	43,312	43,054	41,697	41,549
Financial liabilities				
Financing liabilities	27,646	27,816	24,578	24,561
Trade payables	4,629	4,629	5,059	5,059
Other financial liabilities				
Financial liabilities recognized at fair value through profit or loss	28	28	39	39
Derivative financial instruments used in hedge accounting	485	485	449	449
Miscellaneous other financial liabilities	3,892	3,892	4,197	4,197
Contract and refund liabilities				
Obligations from sales transactions	491	491	530	530
	37,171	37,341	34,850	34,833

Supplier finance arrangements

The Daimler Truck Group participates in various supplier finance arrangements. Under the supplier finance arrangements, suppliers can choose to receive early payment of their invoices from a financial institution or an external bank. Under these arrangements, the financial institution or external bank agrees to pay amounts due to participating suppliers in respect of invoices owed by the Daimler Truck Group and the Daimler Truck Group repays the financial institution or external bank when the invoice is due or at a later date.

The Daimler Truck Group has not derecognised the original trade payables relating to the arrangements because neither a legal release was obtained nor were the original liabilities substantially modified on entering into the arrangements.

From the Daimler Truck Group's perspective, the arrangements, on average, do not significantly extend the payment terms beyond the normal terms agreed with other suppliers that are not participating. However, the arrangements offer participating suppliers the benefit of early payment. The Daimler Truck Group also does not incur any additional interest towards the financial institution or external bank on the amounts due to the suppliers. The amounts subject to the arrangements are included within trade payables because the nature and function of these payables remain the same as other trade payables.

The wide range of payment due dates is due to the consolidation of due dates of group companies in different countries. The payment due dates in the individual group companies are subject to the agreements between the group companies and their suppliers, which have different ranges due to the applicable local regulations, company-specific guidelines and individual negotiations.

Table ↗ C.68 shows the contractual terms of the supplier finance arrangements, the arrangements at the beginning and end of the reporting period and the range of payment due dates of comparable trade payables that are not part of a supplier finance arrangement. The amounts already paid by banks to suppliers are indicated in the table.

C.68

Supplier finance arrangements

	At December 31, 2024	At January 01, 2024
In millions of euros		
Carrying amount of financial liabilities		
Presented within trade payables	221	302
- of which suppliers have received payment	210	-[1]
Range of payment due dates		
Trade payables that are part of the arrangement (days after invoice date)	30-90	-[1]
Comparable trade payables that are not part of an arrangement (days after Invoice date)	7-90	-[1]

1 The Daimler Truck Group has made use of the transition relief available under the amendments to IAS 7 and IFRS 7 for supplier finance arrangements. No comparative information is provided for the first year of application.

Offsetting of financial instruments

The Daimler Truck Group concludes derivative transactions in accordance with the master netting arrangements (framework agreement) of the International Swaps and Derivatives Association (ISDA) and comparable national framework agreements. However, these arrangements do not meet the criteria for netting in the Consolidated Statement of Financial Position, as they allow netting only in the case of future events such as default or insolvency on the part of the Group or the counterparty.

Table ↗ C.69 shows the carrying amounts of the derivative financial instruments subject to the described arrangements as well as the possible financial effects of netting in accordance with the master netting arrangements.

C.69

Disclosure for recognized financial instruments that are subject to an enforceable master netting arrangement or similar agreement

	At December 31, 2024			At December 31, 2023		
In millions of euros	Gross and net amounts of financial instruments in the Consolidated Statement of Financial Position	Amounts subject to a master netting arrangement	Net amounts	Gross and net amounts of financial instruments in the Consolidated Statement of Financial Position	Amounts subject to a master netting arrangement	Net amounts
Other financial assets[1]	**187**	**-71**	**116**	201	-124	77
Other financial liabilities[2]	**513**	**-71**	**442**	487	-124	363

1 The other financial assets which are subject to a master netting arrangement comprise derivative financial instruments that are included in hedge accounting and financial assets recognized at fair value through profit or loss (refer to Note 16. Other financial assets).
2 The other financial liabilities which are subject to a master netting arrangement comprise derivative financial instruments that are included in hedge accounting and financial liabilities recognized at fair value through profit or loss (refer to Note 25. Other financial liabilities).

Measurement hierarchy

Table ↗ C.70 provides an overview of the classification into measurement hierarchies of financial assets and liabilities recognized at fair value (according to IFRS 13 "Fair value measurement").

At the end of each reporting period, the Group reviews the necessity for reclassification between the fair-value hierarchies.

The credit risk from derivative financial instruments assigned to level 2 of the measurement hierarchy is determined on the basis of the portfolios managed on a net basis

C.70

Measurement hierarchy of financial assets and liabilities recognized at fair value

			At December 31, 2024				At December 31, 2023	
	Total	Level 1[1]	Level 2[2]	Level 3[3]	Total	Level 1[1]	Level 2[2]	Level 3[3]
In millions of euros								
Financial assets recognized at fair value								
Marketable debt securities	**2,126**	**1,620**	**507**	**–**	1,808	1,292	516	–
Recognized at fair value through other comprehensive income	**433**	**40**	**393**	**–**	443	44	399	–
Recognized at fair value through profit or loss	**1,693**	**1,580**	**114**	**–**	1,365	1,249	116	–
Equity instruments and debt instruments	**262**	**94**	**48**	**120**	275	158	22	95
Recognized at fair value through other comprehensive income	**97**	**92**	**–**	**5**	118	112	–	5
Recognized at fair value through profit or loss	**164**	**1**	**48**	**115**	158	46	22	90
Other financial assets recognized at fair value through profit or loss	**20**	**–**	**20**	**–**	22	–	22	–
Derivative financial instruments used in hedge accounting	**168**	**–**	**168**	**–**	179	–	179	–
	2,576	**1,714**	**742**	**120**	2,284	1,450	738	95
Financial liabilities recognized at fair value								
Financial liabilities recognized at fair value through profit or loss	**28**	**–**	**10**	**18**	39	–	13	25
Derivative financial instruments used in hedge accounting	**485**	**–**	**485**	**–**	449	–	449	–
	513	**–**	**495**	**18**	487	–	462	25

1 Fair value measurement is based on quoted prices (unadjusted) in active markets for these or identical assets or liabilities.
2 Fair value measurement is based on inputs that are observable on active markets either directly (i.e., as prices) or indirectly (i.e., derived from prices).
3 Fair value measurement based on inputs for which no observable market data is available.

Table ↗ **C.71** shows to which measurement hierarchies (according to IFRS 13) the fair values of the financial assets and liabilities are classified which are not recognized at fair value in the Consolidated Statement of Financial Position.

C.71

Measurement hierarchy of financial assets and liabilities not recognized at fair value

	At December 31, 2024				At December 31, 2023			
	Total	Level 1[1]	Level 2[2]	Level 3[3]	Total	Level 1[1]	Level 2[2]	Level 3[3]
In millions of euros								
Fair values of financial assets measured at cost								
Receivables from financial services	**28,635**	**–**	**28,635**	**–**	26,066	–	26,066	–
Fair values of financial liabilities measured at cost								
Financing liabilities	**27,587**	**14,978**	**12,609**	**–**	24,347	12,791	11,556	–
thereof bonds	**17,305**	**14,978**	**2,327**	**–**	14,205	12,791	1,414	–
thereof liabilities from ABS transactions	**1,664**	**–**	**1,664**	**–**	2,009	–	2,009	–
thereof other financing liabilities	**8,618**	**–**	**8,618**	**–**	8,133	–	8,133	–
Miscellaneous other financial liabilities	**3,892**	**–**	**3,811**	**82**	4,197	–	4,126	71

1 Fair value measurement is based on quoted prices (unadjusted) in active markets for these or identical assets or liabilities.
2 Fair value measurement is based on inputs that are observable on active markets either directly (i.e., as listed prices) or indirectly (i.e., derived from prices).
3 Fair value measurement based on inputs for which no observable market data is available.

Measurement categories

The carrying amounts of financial instruments according to measurement categories are shown in table ↗ C.72.

Table ↗ C.72 excludes the carrying amounts of derivative financial instruments used in hedge accounting as these financial instruments are not assigned to a measurement category.

C.72

Carrying amounts of financial instruments according to measurement categories

	At December 31,	
	2024	2023
In millions of euros		
Assets		
Financial assets measured at (amortized) cost	**34,609**	34,391
Receivables from financial services[1]	**22,765**	21,191
Trade receivables	**4,325**	5,262
Cash and cash equivalents	**6,553**	7,067
Marketable debt securities and similar investments	**150**	–
Other receivables and miscellaneous other financial assets	**816**	871
Financial assets recognized at fair value through other comprehensive income	**530**	561
Marketable debt securities and similar investments	**433**	443
Equity and debt instruments	**97**	118
Financial assets recognized at fair value through profit or loss	**1,878**	1,544
Marketable debt securities and similar investments	**1,693**	1,365
Equity and debt instruments	**164**	158
Other financial assets recognized at fair value through profit or loss[2]	**20**	22
Liabilities		
Financial liabilities measured at (amortized) cost	**36,648**	34,352
Trade payables	**4,629**	5,059
Financing liabilities[3]	**27,646**	24,578
Miscellaneous other financial liabilities[4]	**3,882**	4,186
Obligations from sales transactions	**491**	530
Financial liabilities recognized at fair value through profit or loss[2]	**28**	39

1 Excluding lease receivables of €6,128 million (December 31, 2023: €5,023 million) as these are not assigned to any measurement category.
2 Financial instruments classified as held for trading purposes. These items comprise financial instruments that are not used in hedge accounting.
3 Excluding liabilities from lease transactions of €1,020 million (December 31, 2023: €1,149 million) as these are not assigned to any measurement category.
4 Excluding financial guarantees of €11 million (December 31, 2023: €11 million) as these are not assigned to any measurement category.

Net gains or losses

Table ↗ C.73 shows the net gains/losses on financial instruments included in the Consolidated Statement of Income (excluding derivative financial instruments used in hedge accounting).

Net gains/losses on equity and debt instruments recognized at fair value through profit or loss primarily comprise gains and losses attributable to changes in the fair values of these instruments.

Net gains/losses on other financial assets and liabilities recognized at fair value through profit or loss comprise gains and losses attributable to changes in their fair values.

Net gains/losses on equity instruments recognized at fair value through other comprehensive income primarily comprise dividend payments.

Net gains/losses on other financial assets recognized at fair value through other comprehensive income are primarily attributable to the effects of currency translation.

Net gains/losses on financial assets measured at (amortized) cost (excluding the interest income/expense shown below) primarily comprise impairment losses (including reversals of impairment losses) of €310 million (2023: €101 million) that are charged to cost of sales, selling expenses and other financial income/expense, net. Foreign exchange gains and losses are also included.

Net gains/losses on financial liabilities measured at (amortized) cost (excluding the interest income/expense shown below) primarily comprise the effects of currency translation.

C.73

Net gains/losses

In millions of euros	2024	2023
Equity and debt instruments recognized at fair value through profit or loss	19	-53
Other financial assets and financial liabilities recognized at fair value through profit or loss[1]	59	44
Equity instruments recognized at fair value through other comprehensive income	3	6
Other financial assets recognized at fair value through other comprehensive income	–	-2
Financial assets measured at (amortized) cost	-470	-128
Financial liabilities measured at (amortized) cost	19	15

1 Financial instruments classified as held for trading; these amounts relate to derivative financial instruments not used in hedge accounting.

Total interest income and total interest expense

Total interest income and total interest expense for financial assets or financial liabilities that are not recognized at fair value through profit or loss are shown in table ↗ C.74.

Qualitative descriptions of accounting for and presentation of financial instruments (including derivative financial instruments) can be found in Note 1. General information and material accounting policies.

C.74

Total interest income and total interest expense

In millions of euros	2024	2023
Total interest income	2,884	2,349
thereof from financial assets and liabilities measured at (amortized) costs	2,732	2,209
thereof from financial assets recognized at fair value through other comprehensive income	153	139
Total interest expense	-1,907	-1,522
thereof from financial assets and liabilities measured at (amortized) costs	-1,907	-1,522

Information on derivative financial instruments

Use of derivatives

The Daimler Truck Group uses derivative financial instruments exclusively for hedging financial risks that arise from its operating or financing activities or from its liquidity management. These are interest rate risks and currency risks, which have been defined as risk categories. For these hedging purposes, the Daimler Truck Group mainly uses currency forward transactions, cross-currency interest rate swaps and interest rate swaps.

Table ↗ C.75 shows the amounts for the transactions designated as hedging instruments.

C.75

Amounts for the transactions designated as hedging instruments

	Foreign currency risk		Interest rate risk
	Cash flow hedges[1]	Cash flow hedges[2]	Fair value hedges[2]
In millions of euros			
At December 31, 2024			
Carrying amount of the hedging instruments			
Other financial assets current	**37**	**32**	**1**
Other financial assets non-current	**2**	**16**	**79**
Other financial liabilities current	**55**	**2**	**5**
Other financial liabilities non-current	**30**	**32**	**361**
Fair value changes[3]	**-39**	**-6**	**40**
At December 31, 2023			
Carrying amount of the hedging instruments			
Other financial assets current	34	15	–
Other financial assets non-current	33	43	53
Other financial liabilities current	40	3	7
Other financial liabilities non-current	2	37	359
Fair value changes[3]	18	-117	195

1 Includes the following hedging instrument: currency forwards
2 Includes the following hedging instrument: interest rate swaps and cross-currency interest rate swaps.
3 Gains and losses from hedging instruments used for recognizing hedge ineffectiveness.

Fair value hedges

The Daimler Truck Group uses fair value hedges primarily for hedging interest rate risks.

The amounts of the items hedged with fair value hedges are included in table ↗ C.76.

C.76

Fair value hedges

	Interest rate risk	
	At December 31	
	2024	2023
In millions of euros		
Carrying amounts of the hedged items		
Financing liabilities current	**2,275**	539
Financing liabilities non-current	**9,092**	7,313
thereof hedge adjustments		
Financing liabilities current	**2**	-7
Financing liabilities non-current	**-288**	-306
Fair value changes of the hedged items[1]	**-40**	-199
Accumulated amount of hedge adjustments from inactive hedges remaining in the Consolidated Statement of Financial Position	**-1**	-3

1 Cumulative expenses or income recognized in the carrying amount of the underlying transactions.

The effects attributable to the ineffective portion of the hedge (hedge-ineffective portion) are shown in table ↗ C.77.

C.77

Ineffectiveness of fair value hedges

	Interest rate risk	
	2024	2023
In millions of euros		
Interest expense	**–**	-4

Cash flow hedges

The Daimler Truck Group designates cash flow hedges for hedging currency risks and interest rate risks.

The amounts related to items designated as cash flow hedges are shown in table ↗ C.78

C.78

Cash flow hedges

	At December 31, 2024		At December 31, 2023	
	Foreign currency risk	Interest rate risk	Foreign currency risk	Interest rate risk
In millions of euros				
Fair value changes of the hedged items[1]	**39**	**6**	-18	104
Balance of the reserves for derivative financial instruments (before taxes)				
Continuing hedges	**-19**	**3**	94	20
Discontinued/terminated hedges	**–**	**–**	-27	–

1 Fair value changes of the hedged items used for recognizing hedge ineffectiveness.

The gains and losses from cash flow hedges and the effects attributable to the ineffective portion (hedge-ineffective portion) of the hedges are shown in table ↗ C.79.

C.79

Gains and losses on cash flow hedges[1]

		Foreign currency risk		Interest rate risk	
In millions of euros					
Line item in the Consolidated Statement of Income in which the ineffectiveness and the reclassifications are included	Revenue	Cost of sales	Other financial income/ expense, net	Cost of sales	Interest expense
2024					
Gains and losses recognized in other comprehensive income	**-1**	**-39**	**–**	**22**	**-28**
Reclassification of hedge effectiveness from other comprehensive income to the Consolidated Statement of Income					
For hedges for which the hedged future cash flows are no longer expected to occur	**–**	**–**	**–**	**–**	**–**
For hedges that have been transferred because the hedged item has affected profit or loss	**-42**	**-3**	**–**	**–**	**-11**
2023					
Gains and losses recognized in other comprehensive income	22	-4	–	-11	-93
Reclassification of hedge effectiveness from other comprehensive income to the Consolidated Statement of Income					
For hedges for which the hedged future cash flows are no longer expected to occur	-2	–	–	–	–
For hedges that have been transferred because the hedged item has affected profit or loss	-15	-9	–	-4	1

1 In 2024 and 2023, there were no hedge ineffectiveness recognized in the Consolidated Statement of Income.

Table ↗ C.80 shows the reconciliation of the reserves for derivative financial instruments.

C.80

Reconciliation of reserves for derivative financial instruments

	2024	2023
In millions of euros		
Balance at January 01	**35**	122
Changes in fair values (before taxes)	**-69**	-117
Foreign currency risk	**-64**	-14
Interest rate risk	**-5**	-103
Reclassification to profit or loss (before taxes)	**-10**	2
Foreign currency risk	**1**	5
Interest rate risk	**-11**	-3
Reclassification to cost of acquisition of non-financial assets (before taxes)	**-4**	-1
Foreign currency risk – procurement	**-4**	-1
Commodity price risk – inventory purchases	**–**	–
Other	**–**	-1
Taxes on changes in fair values and reclassifications	**22**	31
Balance at December 31	**-26**	35

The reserves for derivative financial instruments include reserves for hedge costs.

The maturities of the derivative financial instruments generally correspond with those of the underlying transactions. The realization of the hedged item is expected to correspond with the maturity ranges of the hedging transactions shown in table ↗ C.81.

At December 31, 2024, the Daimler Truck Group held derivative financial instruments with a maximum term of 114 months (December 31, 2023: 117 months) to hedge currency and interest rate risks from operating activities and/or financial transactions.

Nominal values of derivative financial instruments used in hedge accounting

Table ↗ C.81 shows the nominal amounts of derivative financial instruments used by the Group as part of hedge accounting to hedge currency risks and interest rate risks from operating activities and/or financing activities.

C.81

Nominal amounts of derivative financial instruments used in hedge accounting

	At December 31, 2024				At December 31, 2023			
	Maturity of nominal amounts				Maturity of nominal amounts			
	<1 year	1-5 years	>5 years	Total	<1 year	1-5 years	>5 years	Total
In millions of euros								
Foreign currency risk	2,560	1,145	–	3,706	2,294	995	–	3,289
Interest rate risk	5,245	11,132	2,766	19,143	1,966	11,420	1,631	15,017
Fair value hedges	1,724	6,386	2,766	10,875	324	6,244	1,631	8,199
thereof major derivative financial instruments affected by the reform of the interest rate benchmark								
in the currency CAD	–	–	–	–	256	649	–	905
Cash flow hedges	3,522	4,746	–	8,268	1,642	5,176	–	6,818
thereof major derivative financial instruments affected by the reform of the interest rate benchmark								
in the currency CAD	–	–	–	–	68	376	–	444

The average prices for hedging instruments classified by risk categories for the main risks are included in table ↗ C.82.

Further information on the hedging of currency and interest rate risks can be found in Note 33. Management of financial risks.

C.82

Average prices of hedging instruments for the major risks

	At December 31, 2024	At December 31, 2023
Foreign currency risk		
USD per €	1.09	1.08
AUD per €	1.67	1.63
GBP per €	0.88	0.89
Interest rate risk		
Fair value hedges		
Average interest rate – USD	-2.66%	-3.09%
Average interest rate – CAD	-3.62%	-2.31%
Average interest rate – EUR	-0.87%	-1.89%
Cash flow hedges		
Average interest rate – USD	0.95%	1.49%
Average interest rate – CAD	1.56%	1.92%
Average interest rate – EUR	-0.36%	0.10%
Average interest rate – BRL	2.11%	0.44%
Average interest rate – MXN	-0.27%	1.35%
Average interest rate – AUD	0.09%	-0.14%

33. Management of financial risks

General information on financial risks
As a result of its businesses and the global nature of its operations, the Daimler Truck Group is exposed to market risks from changes in foreign currency exchange rates and interest rates, while commodity price risks arise from procurement. A share price risk results from investments in listed companies. In addition, the Daimler Truck Group is exposed to credit risks from its leasing and financing activities and from its other business operations (trade receivables). Furthermore, the Daimler Truck Group is exposed to liquidity and country risks relating to its credit and market risks or a deterioration of its business operations or financial market disturbances. If these financial risks materialize, they could adversely affect the Daimler Truck Group's profitability, liquidity and capital resources, and financial position.

The Daimler Truck Group has established internal policies that deal with the processes of risk controlling, regulate the use of financial instruments, including a clear segregation of duties with regard to financial activities, settlement, accounting and the related controlling. The guidelines upon which the Daimler Truck Group's risk management processes for financial risks are based are designed to identify and analyze these risks throughout the Daimler Truck Group, to set appropriate risk limits and controls, and to monitor the risks by means of reliable and up-to-date administrative and information systems. The guidelines and systems are regularly reviewed and adjusted to changes in markets and products.

The Daimler Truck Group manages and monitors these risks primarily through its operating and financing activities and, if required, through the use of derivative financial instruments. The Daimler Truck Group uses derivative financial instruments exclusively for hedging financial risks that arise from its business operations or refinancing activities or liquidity management. If not used, the Daimler Truck Group would be exposed to higher financial risks. Daimler Truck AG hedges currency risks through forward exchange contracts. Long-term supply contracts exist for the hedging of raw materials, so it is currently not necessary to build up further hedges. Additional information on financial instruments and especially on the volumes of the derivative financial instruments used is included in Note 32. Financial instruments.

The Daimler Truck Group regularly evaluates its financial risks with due consideration of changes in key economic indicators and up-to-date market information.

The market sensitive instruments, including equity and debt securities, that the plan assets hold to finance pension and other post-employment benefits are not included in the following quantitative and qualitative analysis. For further information on pension and other post-employment benefit related liabilities, refer to Note 22. Pensions and similar obligations.

Credit risk
Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt in accordance with the contractual terms. Credit risk encompasses both the direct risk of default and the risk of a deterioration of creditworthiness as well as concentration risks.

The maximum risk positions of financial assets which are generally subject to credit risk are equal to their carrying amounts at the balance sheet date (without consideration of collateral, if available). There is also a risk of default from irrevocable loan commitments which had not been utilized as of that date, as well as from financial guarantees. The maximum risk position in these cases is equal to the expected future cash outflows. Table ↗ C.83 shows the maximum risk positions at the reporting date.

C.83
Maximum risk positions of financial assets, irrevocable loan commitments and financial guarantees

		Maximum risk position	
		At December 31,	
	Note	2024	2023
In millions of euros			
Liquid assets		**8,829**	8,875
Receivables from financial services	14	**28,893**	26,214
Trade receivables	19	**4,325**	5,262
Derivative financial instruments used in hedge accounting (assets only)	16	**168**	179
Derivative financial instruments not used in hedge accounting (assets only)	16	**20**	22
Other financial receivables and miscellaneous other financial assets	16	**816**	871
Irrevocable loan commitments		**331**	370
Financial guarantees		**310**	271

Liquid assets
Liquid assets consist of cash and cash equivalents and marketable debt securities and similar investments. With the investment of liquid assets, banks and issuers of securities are selected very carefully and diversified in accordance with a limit system. Liquid assets are primarily held at financial institutions with high credit ratings within and outside Europe and also in money market funds. When making investment decisions, a good credit rating of the counterparty and balanced risk diversification are key considerations. The limits and their utilization are reassessed continuously. In this assessment, the Daimler Truck Group also considers the credit risk assessment of its counterparties by the capital markets. In line with the Daimler Truck Group's risk policy, most liquid assets are held in investments with an external investment grade rating. Liquid assets are thus not subject to a material credit risk and are allocated to Stage 1 of the impairment model, which is based on expected credit risk.

Receivables from financial services
The Daimler Truck Group's financing and leasing activities are primarily focused on supporting the sales of the Daimler Truck Group's automotive products. As a consequence of these activities, the Daimler Truck Group is exposed to credit risk, which is monitored and managed based on defined standards, guidelines and procedures. Statements concerning the credit risk of Financial Services refer to the entire financing and leasing business, unless otherwise specified.

Exposure to credit risk from financing and lease activities is monitored based on the portfolio subject to credit risk. The portfolio subject to credit risk consists of the receivables from financial services. These comprise receivables from sales financing with end customers and dealers, receivables from finance leasing contracts and (overdue) leasing payments from operating lease contracts. The operating lease portfolio is reported under equipment on operating leases in the Consolidated Financial Statements. Leasing payments due from operating lease contracts are recognized in receivables from financial services.

The Financial Services segment of the Daimler Truck Group has policies setting the framework for effective risk management at a global as well as a local level. In particular, these rules deal with minimum requirements for all risk-relevant credit processes, the definition of financing products offered, the evaluation of customer quality, requests for collateral and the treatment of unsecured loans and non-performing claims. The limitation of concentration risks is implemented primarily by means of global limits, which refer to single customer exposures. As of December 31, 2024, the credit position of the 15 biggest customers amounted to 19% of the total portfolio (December 31, 2023: 19%).

With respect to its financing and lease activities, the Daimler Truck Group holds collateral for individual transactions limiting actual credit risk through its fair value. The value of collateral generally depends on the amount of the financed assets. At the start of the contract, security of at least 100% of the book value is usually agreed to be underpinned by the vehicles on which the contracts are based. Over the duration of the contracts, the development of the value of the collateral is continuously included in the calculation of the risk provisions to be recognized, so that the net carrying amounts of the credit-impaired contracts are essentially secured by the vehicles.

Furthermore, Financial Services limits credit risk from financing and lease activities, for example through advance payments from customers.

For the assessment of the default risk of retail and small business customers, scoring systems are applied to evaluate their creditworthiness. Corporate customers are evaluated using internal rating instruments. Both evaluation processes use external credit bureau data if available. The scoring and rating results as well as the availability of security and other risk mitigation instruments, such as advance payments, guarantees and, to a lesser extent, residual debt insurance, are essential elements for credit decisions.

If, in connection with contracts, a deterioration of payment behavior or other indicators of a credit risk are recognized, collection procedures are initiated by claims management to obtain the overdue payments from the customer, to take possession of the asset financed or leased or, alternatively, to renegotiate the impaired contract. Restructuring policies and practices are based on the indicators or criteria which, in the judgment of local management, indicate that repayment will probably continue and that the total proceeds expected to be derived from the renegotiated contract exceed the expected proceeds to be derived from repossession and remarketing.

The increase in loss allowances was driven by portfolio growth and the expectation of higher credit losses, mainly due to credit defaults by individual customers and the recession in the transportation sector in America. This was partially offset by utilization of reserves. Future expectations are regularly updated to reflect the current macroeconomic outlook in loss allowance calculations.

For information on credit risks included in receivables from financial services, refer to Note 14. Receivables from financial services. Information on the measurement of expected credit losses is provided in Note 1. General information and material accounting policies.

Trade receivables
Trade receivables are mostly receivables from worldwide sales of vehicles and spare parts. The credit risk from trade receivables encompasses the default risk of customers, e.g., authorized dealers and general distribution companies, as well as other corporate and private customers. In order to identify credit risks, the Daimler Truck Group assesses the creditworthiness of customers. The Daimler Truck Group manages its credit risk from trade receivables using appropriate IT applications and databases on the basis of internal policies which have to be followed globally.
A significant proportion of the trade receivables from each country's domestic business is secured by various country-specific types of collateral. This collateral includes conditional sales, guarantees and sureties, as well as mortgages and advance payments from customers.

For trade receivables from the export business, the Daimler Truck Group also evaluates its customers' creditworthiness by means of an internal rating process with consideration of the respective country risk. In this context, the year-end financial statements and other relevant information on the general distribution companies, such as payment history, are used and assessed.

Depending on the customers' creditworthiness, the Daimler Truck Group establishes credit limits and limits the credit risk through investment grade collateral, for example

- credit insurance,
- bank guarantees or
- letters of credit.

These procedures are defined in the export credit guidelines, which have Group-wide validity.

For loss allowance of trade receivables, a simplified approach is applied, whereby these receivables are allocated to stage 2. The expected credit losses over the entire term are taken into account on initial recognition.

Further information on trade receivables and the status of loss allowances refer to Note 19. Trade receivables.

Derivative financial instruments
The Daimler Truck Group uses derivative financial instruments exclusively for hedging financial risks that arise from its operating activities, financing activities or liquidity management. The Daimler Truck Group manages its credit risk exposure in connection with derivative financial instruments through a limit system, which is based on the review of each counterparty's financial strength. This system limits and diversifies the credit risk. As a result, the Daimler Truck Group is exposed to credit risk only to a small extent with respect to its derivative financial instruments. In accordance with the Group's risk policy, the majority of derivatives were concluded with counterparties which have an external investment grade rating.

Other receivables and financial assets
With respect to other receivables and financial assets included in other financial assets in 2024 and 2023, the Daimler Truck Group is exposed to credit risk only to a small extent.

Irrevocable loan commitments
The Financial Services segment in particular is exposed to credit risk from irrevocable loan commitments to end customers and retailers. At December 31, 2024, irrevocable loan commitments amounted to €331 million (December 31, 2023: €370 million). These loan commitments had a maturity of less than one year and are not subject to a material credit risk.

Financial guarantees
The maximum potential payment obligations resulting from financial guarantees as of December 31, 2024 amounted to €310 million (December 31, 2023: €271 million) and at December 31, 2024 included liabilities of €11 million (December 31, 2023: €11 million). Financial guarantees principally represent contractual arrangements. These guarantees generally provide that in the event of default or non-payment by the primary debtor, the Daimler Truck Group will be required to settle such financial obligations, generally up to a contractually agreed amount.

Liquidity risk
Liquidity risk comprises the risk that a company cannot meet its financial obligations in full. The Daimler Truck Group manages its liquidity by holding adequate volumes of liquid assets and by maintaining syndicated credit facilities in addition to the cash inflows generated by its business operations. Additionally, the option of securitizing receivables ("ABS transactions") also reduces the Group's liquidity risk. Liquid assets comprise cash and cash equivalents and marketable debt securities and similar investments. The Daimler Truck Group can dispose of these liquid assets at short notice.

The funds raised are used to finance working capital and capital expenditure as well as the cash needs of the leasing and financing business and unexpected liquidity needs. In accordance with internal guidelines, the refinancing of the leasing and financing business is generally carried out with matching maturities so that financing liabilities have the same maturity profile as the leased assets and the receivables from financial services.

At December 31, 2024, cash and cash equivalents amounted to €6,553 million (December 31, 2023: €7,067 million). In 2024, significant cash inflows resulted from the operations of the Industrial Business as well as cash inflows and outflows in connection with the cash provided by financing activities. Cash outflows resulted in particular from investments made in intangible assets and property, plant and equipment, the acquisition and sale of mutual funds, income taxes paid, an increased portfolio of leasing and financing activities at Financial Services, a dividend payment to the shareholders of Daimler Truck Holding AG and the share buyback program beginning in August 2023.

The Daimler Truck Group participates in supplier finance arrangements to a limited extend. From the Daimler Truck Group's perspective, the arrangements sometimes lead to an extension of payment terms. In addition, the arrangements offer participating suppliers the benefit of early payment. This does not result in any significant liquidity risk for the Daimler Truck Group.

From an operating point of view, the management of the Daimler Truck Group's liquidity exposures is centralized by a daily cash pooling process. This process enables the Daimler Truck Group to manage its liquidity surplus and liquidity requirements according to the actual needs of the Daimler Truck Group. The Daimler Truck Group's short-term and mid-term liquidity management takes into account the maturities of financial assets and financial liabilities and estimates of cash flows from business operations.

In general, the Daimler Truck Group makes use of a broad spectrum of financial instruments to cover its funding requirements. Depending on funding requirements and market conditions, the Daimler Truck Group issues commercial papers, bonds and financial instruments secured by receivables in various currencies. On October 28, 2021, the Daimler Truck Group was issued with a long-term issuer credit rating of A3 by Moody's Investor Service and BBB+ by S&P Global Ratings. On June 11, 2024, S&P Global Ratings raised Daimler Truck Group's long-term rating from BBB+ to A-. Nonetheless, potential downgrades of the Daimler Truck Group's credit ratings could have a negative impact on the Group's financing.

On March 26, 2024, Daimler Truck AG and other Group companies signed a new revolving credit facility of €5.0 billion, which is provided by an international banking consortium. The credit facility has a term of five years with two one-year extension options. At the same time, the revolving credit facility of €5.0 billion in place since August 2021 was terminated. Daimler Truck does not intend to utilize the credit facility.

Table ↗ **C.84** provides an overview of how the future liquidity situation of the Daimler Truck Group can be affected by cash outflows from liabilities, financial guarantees and irrevocable loan commitments as of December 31, 2024.

Information on the Daimler Truck Group's financing liabilities is also provided in Note 24. Financing liabilities.

C.84

Maturity overview of liabilities and financial guarantees[1]

	Total	2025	2026	2027	2028	2029	≥ 2030
In millions of euros							
Financing liabilities[2]	31,390	11,343	6,776	5,133	3,206	1,632	3,301
thereof lease liabilities	1,117	228	185	149	128	101	326
Derivative financial instruments[3]	590	96	137	87	95	–	175
thereof with gross settlement	147	78	49	20	–	–	–
Cash outflows	3,271	2,142	830	298	–	–	–
Cash inflows	-3,124	-2,064	-781	-278	–	–	–
thereof with net settlement	444	18	88	67	95	–	175
Cash outflows	444	18	88	67	95	–	175
Trade payables[4]	4,629	4,619	5	–	–	–	5
Miscellaneous other financial liabilities excluding accrued interest and liabilities from financial guarantees	3,162	1,939	409	266	221	140	187
Obligations from sales transactions	491	491	–	–	–	–	–
Irrevocable loan commitments[5]	331	331	–	–	–	–	–
Financial guarantees[6]	310	310	–	–	–	–	–
	40,903	19,129	7,326	5,486	3,522	1,773	3,667

1 The amounts were calculated as follows:
a) If the counterparty can request payment at different dates, the liability is included on the basis of the earliest due date.
b) Interest payments on financial instruments with variable interest rates are calculated on the basis of forward rates.
2 The stated cash flows of financing liabilities consist of their undiscounted principal and interest payments.
3 The undiscounted sum of the cash flows of the derivative financial liabilities is shown for each of the respective years.
4 The cash outflows of trade payables are shown as undiscounted.
5 The maximum available amounts are stated.
6 The maximum potential obligations under the issued guarantees are stated. It is assumed that the amounts are due within the first year.

Country risk
Country risk is the risk of economic loss arising from changes of political, economic, legal or social conditions in the respective country, e.g., resulting from sovereign measures such as expropriation or interdiction of foreign currency transfers.

The Daimler Truck Group is exposed to country risk mainly resulting from investments in subsidiaries, associated companies, joint ventures and joint operations, as well as from cross-border trade receivables. Country risks also arise from cross-border cash deposits at financial institutions.

The Daimler Truck Group manages these risks via country exposure limits (e.g., for hard currency portfolios of financial services entities). An internal rating system serves as a basis for risk-oriented country exposure management in which all countries are assigned to risk classes, taking into account both external ratings and capital market information on country risks.

Financial market risks
The global nature of its businesses exposes the Daimler Truck Group to significant market risks resulting from fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Daimler Truck Group is also exposed to equity price risk in connection with its investments in listed companies.

The Daimler Truck Group calculates its overall net exposure to these market risks to provide the basis for hedging decisions, which include the selection of hedging instruments and the determination of hedging volumes and the corresponding periods. Decisions regarding the management of market risks from foreign exchange rates and commodities, as well as asset/liability management (interest rates), are regularly made by the relevant Daimler Truck Group risk management committees. Net exposures are the basis for the hedging strategies and are updated regularly.

Certain benchmark interest rates, including those of the London Interbank Offer Rate (for US dollar, British pound, Swiss franc and Japanese yen), were comprehensively reformed internationally by the end of 2022. As a result, those interest rates were gradually abolished and replaced with alternative risk-free reference rates. Alternative interest rates are being developed on a national level in the context of the respective legal systems and currencies; they can therefore vary with regards to their structure, methodology and period of publication.

In 2023, part of the derivatives affected by the benchmark reform in CAD switched to the risk-free reference rate CORRA. The corresponding underlying transactions were not affected.
In 2024, the remaining affected transactions either expired, were terminated before maturity or switched to the risk-free reference rate. The Daimler Truck Group continues to consider the economic relationship and thus the continuation of hedge accounting as applicable.

The nominal values of the affected derivative financial instruments can be found in table ↗ C.81.

As part of its risk management system, the Daimler Truck Group employs value-at-risk analyses. In performing these analyses, the Daimler Truck Group quantifies its market risk caused by changes such as foreign currency exchange rates, interest rates and certain commodity prices on a regular basis by calculating a potential loss given a confidence level and a holding period.

The value-at-risk calculations are based on the following assumptions:

- potential losses related to fair value changes, and
- a 99% confidence level at a holding period of five days.

The Daimler Truck Group calculates the value at risk for exchange rates according to the variance-covariance approach.

When calculating value at risk using the variance-covariance approach, the Daimler Truck Group first computes the current market value of the Group's financial instruments portfolio. Then, the sensitivity of the portfolio value to changes in the relevant market risk factors, such as particular foreign currency exchange rates or interest rates of specific maturities, is quantified. Based on volatilities and correlations of these market risk factors, which are obtained from the RiskMetrics™ dataset, a statistical distribution of potential changes in the portfolio value at the end of the holding period is computed. The loss which is reached or exceeded with a probability of only 1% can be derived from this calculation and represents the value at risk.

Exchange rate risk
Transaction risk and currency risk management. The global nature of the Daimler Truck Group's businesses exposes cash flows to risks arising from fluctuations in exchange rates. These mainly relate to the euro, the US dollar, the British pound, the Australian dollar, the Japanese yen and the South African rand. The Daimler Truck Group's exchange rate risk primarily arises when revenue is generated in a currency that is different from the currency in which the revenue related costs are incurred. It is possible that sales revenues may not be sufficient to cover these costs if the value of the currency in which the revenue is generated declines in the interim relative to the value of the currency in which the costs were incurred.

The Daimler Truck Group is exposed to transaction risks, but only to a minor degree because of its global production network and the overall lower foreign currency volume. In addition, the Daimler Truck Group is indirectly exposed to transaction risk from its equity-method investments.

The Daimler Truck Group's overall currency exposure is reduced by natural hedging, which consists of the currency exposures of the business operations of different entities and segments partially offsetting each other at a Group level. These natural hedges eliminate the need for hedging to the extent of the matched exposures. To provide an additional natural hedge against any remaining transaction risk exposure, the Daimler Truck Group generally strives to increase cash outflows in the same currencies in which the Daimler Truck Group has a net excess inflow.

In order to mitigate the impact of currency exchange rate fluctuations for the Group's operations (future transactions), the Daimler Truck Group continually assesses its exposure to exchange rate risks and hedges a portion of those risks by using derivative financial instruments. The Daimler Truck Group manages its exchange rate risk and its hedging transactions through currency derivatives. The corporate treasury department implements foreign currency hedging through transactions with international financial institutions. In the event of overhedging due to changes in exposure, the hedges are generally terminated promptly by taking appropriate measures. The designated hedging relationships are also reviewed with respect to any requirements to discontinue hedge accounting.

The Daimler Truck Group uses a reference model to determine target hedging ratios for forecasted operating cash flows. The hedging horizon is naturally limited by uncertainty related to cash flows that lie far in the future and, where applicable, the limited availability of suitable currency contracts. This reference model aims to limit risks for the Daimler Truck Group from unfavorable movements in exchange rates while preserving some flexibility to participate in favorable developments. Based on this reference model and depending on the market outlook, the committee determines the hedging horizon, which usually varies from one to three years, as well as the average hedge ratios. Reflecting the nature of the underlying risks, the hedge ratios decrease with increasing maturities.

Foreign currency risks from the vehicle business are managed primarily through the use of forward foreign exchange contracts. The instruments applied depend on the assessment of market conditions. Value at risk is used to measure the exchange rate risk inherent in these derivative financial instruments.

Table ↗ C.85 shows the value at risk at period-end of the exchange rate risk for the 2024 and 2023 portfolios of derivative financial instruments, which were entered into primarily in connection with the vehicle business operations. The underlying transactions on which the derivatives are based are not included in the following value-at-risk presentation, since they primarily comprise forecasted cash flows. Also refer to table ↗ C.81.

C.85

Value at risk for exchange rate risk, and interest rate risk

	2024 Period-end	2023 Period-end
In millions of euros		
Exchange rate risk (from derivative financial instruments)	**53**	28
Interest rate risk (from derivative financial instruments)	**20**	28

Hedge accounting. When designating derivative financial instruments, a hedge ratio of 1 is applied. In addition, the respective volumes, interest rate curves and currencies of the hedge and the underlying transaction as well as maturity dates are matched. The Daimler Truck Group ensures an economic relationship between the underlying transaction and the hedging transaction by ensuring consistency of currency, volume and maturity. Forward components are not designated into the hedge relationship, but are deferred as hedging costs with no effect on income and recognized in the income statement or as an adjustment to the cost of non-financial assets when the underlying transaction matures. Effectiveness is assessed at initial designation and during the hedge term. Possible sources of ineffectiveness of the hedge relationship are:

- Changes in the credit risk when measuring the hedging instrument used, which are not reflected in the change of the hedged currency risk.

- Changes in the timing of the hedged transactions.

In 2024, the development of the value-at-risk from foreign currency hedging was mainly driven by a sharp increase in foreign currency rate volatility.

The Group's investments in liquid assets or refinancing activities are generally selected so that possible currency risks are reduced. Transaction risks arising from liquid assets or liabilities in foreign currencies that result from the Daimler Truck Group's investment or refinancing on money and capital markets are generally hedged against currency risks at the time of investing or refinancing using appropriate derivative financial instruments (e.g., cross-currency interest rate swaps) in accordance with the Group's internal guidelines.

Since currency risks arising from the Daimler Truck Group's investment or refinancing in foreign currencies and the respective hedging transactions generally offset each other, these financial instruments are not included in the value-at-risk calculation presented.

Effects of currency translation risk ("Translation risk"). For purposes of the Consolidated Financial Statements, the income and expenses and the assets and liabilities of non-euro reporting subsidiaries are converted into euros. Therefore, period-to-period changes in average exchange rates may cause translation effects that have a significant impact on, for example, revenue, segment results (EBIT) and assets and liabilities of the Daimler Truck Group. Unlike exchange rate transaction risk, exchange rate translation risk does not necessarily affect future cash flows. The Daimler Truck Group's equity position reflects changes in carrying amount caused by exchange rates. In general, the Daimler Truck Group does not hedge against currency translation risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Daimler Truck Group uses a variety of interest rate sensitive financial instruments to manage the Group's liquidity needs. However, a substantial volume of interest rate sensitive assets and liabilities results from the leasing and sales financing business operated by the Financial Services segment. The Financial Services companies enter into transactions with customers that primarily result in fixed-rate receivables. The Daimler Truck Group's general policy is to match funding in terms of maturities and interest rates wherever economically feasible. However, for a limited portion of the receivables portfolio in selected and developed markets, Financial Services does not match funding in terms of maturities in order to take advantage of market opportunities. As a result, the Daimler Truck Group is exposed to risks due to changes in interest rates.

The measurement of the interest rate risk of the Daimler Truck Group has been carried out through a value-at-risk analysis.

An expert group from the Daimler Truck Group, comprising members of the Group Treasury, Financial Services Controlling and Group Controlling, manage the interest rate risk by setting targets for the interest rate risk position. Group Treasury and the local subsidiaries are jointly responsible for achieving these targets. Group Treasury Controlling and the Financial Services Controlling and Reporting department monitor target achievement on a regular basis as separate functions. In order to achieve the targeted interest rate risk positions in terms of maturities and interest rate fixing periods, the Daimler Truck Group also uses derivative financial instruments such as interest rate swaps. The Daimler Truck Group assesses its interest rate risk position by comparing assets and liabilities for corresponding maturities, including the impact of the relevant derivative financial instruments.

Derivative financial instruments are also used in conjunction with the refinancing related to the vehicle segments and liquidity management. The Daimler Truck Group manages the funding activities of the vehicle segments and financial services segment at Group level.

Table ↗ C.85 shows the value-at-risk at the end of the reporting period for the interest rate risk in 2024 and 2023 for the derivative financial instruments. Leasing liabilities are not included in the value-at-risk for the interest rate risk. These leasing liabilities have fixed interest rates and changes in interest rates therefore have no effect on the Daimler Truck Group's net profit.

Hedge Accounting. When designating derivative financial instruments, a hedge ratio of 1 is generally applied. The respective volumes, interest rate curves and currencies of the hedged item and the hedging instrument as well as maturity dates are matched. In the case of combined derivative financial instruments for interest currency hedges, the cross-currency basis spread is not designated into the hedge relationship, but deferred as a hedging cost in other comprehensive income and recognized in profit or loss over the hedge term. The Daimler Truck Group ensures an economic relationship between the underlying transaction and the hedging instrument by ensuring consistency of interest rates, maturity terms and nominal amounts. The effectiveness of the hedge is assessed at the beginning and during the economic relationship using the hypothetical derivative method. Possible sources of ineffectiveness of the hedge relationship are:

- Changes in the credit risk when measuring the hedging instrument in use which are not reflected in the change in the hedged interest rate risk.

- Changes in the parameters of the underlying hedged transactions.

Commodity price risk
The Daimler Truck Group is exposed to the risk of changes in commodity prices in connection with procuring raw materials and manufacturing supplies used in production. Risk is limited through long-term supply contracts. The relevant committees of the Daimler Truck Group review the risk and take actions to reduce this risk arising from fluctuation of commodity prices, if necessary. In addition, long-term electricity supply contracts from renewable energies, so-called power purchase agreements, are concluded to hedge electricity prices and the purchase of green energy. The fair value of these contracts corresponds to the difference between the market price and the contractually agreed price multiplied by the contract volume.

Hedge accounting. At December 31, 2024 for commodity derivatives no hedge accounting took place. The future use of derivatives is possible in principle, as described above. When designating commodity derivatives, the respective volumes and parameters relevant for the valuation of the hedged item and the hedging instrument as well as maturity dates are matched. The Daimler Truck Group ensures an economic relationship between the hedged item and the hedging instrument by ensuring consistency of volumes, parameters relevant for valuation and maturity terms. Effectiveness is assessed at initial designation and during the hedge term. Possible sources of ineffectiveness of the hedge relationship are:

- Changes in the credit risk on the measurement of the derivative instrument in use which are not reflected in the change in the hedged commodity price risk.

- Changes in the timing of the hedged transactions.

As of December 31, 2024, the nominal values of derivatives that are not designated in a hedging relationship amount to €1,909 million for hedging exchange rate risks (December 31, 2023: €1,709 million) and €19 million for hedging interest rate risks (December 31, 2023: €97 million), as well as €57 million (December 31, 2023: €78 million) for hedging commodity price risks.

Equity price risk
The Daimler Truck Group predominantly holds investments in shares of companies which are classified as long-term investments, some of which are accounted for using the equity method. These investments are not included in a market risk assessment by the Daimler Truck Group.

34. Segment reporting

Reportable segments
The Board of Management of Daimler Truck Holding AG, as the chief operating decision maker, allocates resources to the operating segments of the Group and assesses their performance on a regular basis. Therefore, the reporting based on operating segments retrospectively reflects the internal reporting and management structure of the Daimler Truck Group.

The segments are largely organized and managed separately, according to geographical areas, nature of products and services provided, brands, distribution channels and profile of customers. The Daimler Truck Group's activities are divided into the segments Trucks North America, Mercedes-Benz Trucks, Trucks Asia, Daimler Buses and Financial Services.

The Trucks North America segment develops, manufactures and sells trucks under the brands Freightliner and Western Star. The segment's product range also includes buses from Thomas Built Buses, bus chassis as well as chassis of the brand Freightliner Custom Chassis Corp in North America.

The Mercedes-Benz Trucks segment develops, manufactures and sells trucks under the brand Mercedes-Benz, including off-highway-solutions, and also sells trucks under the brand FUSO in Europe and Latin America (excluding Mexico).

The Trucks Asia segment develops, manufactures and sells trucks and buses under the brands FUSO, BharatBenz and RIZON, and sells trucks and buses under the brand Mercedes-Benz. Trucks Asia is also active in China through Daimler Truck China and its subsidiary Daimler Trucks and Buses China, through which Mercedes-Benz trucks are imported to China. Furthermore, trucks are produced under the brands Mercedes-Benz and Auman as part of the Beijing Foton Daimler Automotive Co., Ltd. joint venture with Foton.

The Daimler Buses segment develops, manufactures, and sells buses under the brands Mercedes-Benz and Setra. The segment's product range also includes bus chassis under the brand Mercedes-Benz.

The Trucks North America, Mercedes-Benz Trucks, Trucks Asia and Daimler Buses segments comprise the vehicle segments.

The vehicle segments also sell powertrains, parts and accessories to external customers as well as to each other. The Mercedes-Benz Trucks segment is the main supplier of spare parts to the other segments.

The Financial Services segment supports the sales of the trucks and buses worldwide. Its product portfolio primarily comprises tailored financing and leasing packages for end customers and dealers, brokering of commercial vehicles insurance and banking services.

Internal management and reporting structure
The internal management and reporting structure at the Daimler Truck Group is principally based on the accounting policies that are described in Note 1. General information and material accounting policies, in accordance with IFRS.

The measure of the Daimler Truck Group's profit or loss used by the Group's management and reporting structure is referred to as "EBIT". Transactions between entities within the same segment are generally eliminated in the respective segment. Transactions between the segments are generally eliminated within reconciliation. The elimination of effects connected with intra-Group transfers of equity investments takes place in the segments involved. Some simplifications have been made in the segment reporting with regard to accounting for leases in connection with intra-group transactions. For example, intra-group leases are accounted for as operating leases.

Segment assets principally comprise all assets related to the operating activities. The vehicle segments' assets exclude income tax assets, assets from defined benefit pension plans and other post-employment benefit plans, as well as certain financial instruments (including liquidity). Segment liabilities principally comprise all liabilities related to the operating activities. The vehicle segments' liabilities exclude income tax liabilities, liabilities from defined benefit pension plans and other post-employment benefit plans, and certain financial instruments (including financing liabilities).

The residual value risks associated with the Daimler Truck Group's operating leases and finance lease receivables are generally borne by the vehicle segments that manufactured the leased vehicles. Risk sharing is based on agreements between the vehicle segment and Financial Services; the terms vary by vehicle segment and geographic region.

Capital expenditures for intangible assets and property, plant and equipment reflect the cash-effective additions to these intangible assets and property, plant and equipment (including additions from business combinations) to the extent that they do not relate to capitalized borrowing costs or goodwill.

Depreciation and amortization may also include impairments, provided that they do not relate to goodwill impairment according to IAS 36 "Impairment of Assets".

Reconciliation
The reconciliation includes other business activities and investments, in particular in the area of autonomous driving. Moreover, functions and services provided by the Daimler Truck Group's headquarters as well as by other companies of the Group not allocated to the segments are included. In addition, the reconciliation includes projects managed by headquarters.

Table ↗ **C.86** presents segment information for the 2024 and 2023 financial years.

C.86

Segment information

	Trucks North America	Mercedes-Benz Trucks[2]	Trucks Asia[1, 2]	Daimler Buses	Financial Services	Total Segments	Reconciliation[3]	Daimler Truck Group
In millions of euros								
2024								
External revenue	23,695	16,417	5,691	5,039	3,234	54,077	–	54,077
Intersegment revenue	85	2,678	419	208	101	3,491	-3,491	–
Total revenue	23,781	19,095	6,111	5,247	3,334	57,568	-3,491	54,077
Segment profit/loss (EBIT)	3,008	1,082	53	427	106	4,676	-1,084	3,592
thereof profit/loss on equity-method investments	-14	-17	-164	2	1	-193	-410	-603
thereof profit/loss from compounding and effects from changes in discount rates of provisions for other risks	-37	-45	-2	-11	-3	-97	-30	-128
31. Dec. 2024								
Segment assets	7,832	14,049	4,988	3,960	33,543	64,372	750	65,122
thereof carrying amounts of equity-method investments	214	55	116	9	1	395	417	812
Segment liabilities	7,015	8,627	1,779	2,906	30,516	50,843	-1,412	49,431
Additions to non-current assets	524	2,051	220	329	770	3,895	-255	3,640
thereof investments in intangible assets	103	216	17	23	13	371	87	459
thereof investments in property, plant and equipment	363	779	139	125	10	1,417	–	1,417
Depreciation and amortization of non-current assets	299	960	262	192	250	1,964	10	1,974
thereof amortization of intangible assets	4	58	43	19	10	133	5	138
thereof depreciation of property, plant and equipment (incl. right-of-use assets)	267	460	192	77	14	1,009	6	1,015

1 The segment result was significantly impacted by a special item of minus €120 million from the full impairment of the equity-investment carrying amount of Beijing Foton Daimler Automotive Co., Ltd. (BFDA) in the second quarter of 2024.
2 In 2024, the result of the segments Mercedes-Benz Trucks (minus €169 million) and Trucks Asia (minus €32 million) was significantly impacted by the special item related to the impairment of receivables due to the ongoing discussions with our partner with regard to our China business.
3 In the reconciliation, a special item from the impairment on the equity-investment carrying amount of cellcentric GmbH & Co. KG (cellcentric) reduced the result by minus €281 million.

In millions of euros	Trucks North America	Mercedes-Benz Trucks	Trucks Asia	Daimler Buses	Financial Services	Total Segments	Reconciliation	Daimler Truck Group
2023								
External revenue	23,375	19,121	6,432	4,362	2,600	55,890	–	55,890
Intersegment revenue	118	2,517	629	204	74	3,541	-3,541	–
Total revenue	23,492	21,638	7,060	4,566	2,674	59,431	-3,541	55,890
Segment profit/loss (EBIT)	2,887	2,038	330	214	186	5,655	-471	5,183
thereof profit/loss on equity-method investments	4	-8	-57	2	–	-59	-50	-109
thereof profit/loss from compounding and effects from changes in discount rates of provisions for other risks	-43	-51	2	-9	-4	-106	-23	-128
31. Dec. 2023								
Segment assets	7,240	15,170	5,605	3,922	29,815	61,752	784	62,536
thereof carrying amounts of equity-method investments	25	34	272	11	–	343	708	1,051
Segment liabilities	6,468	9,395	1,970	2,890	27,353	48,076	-747	47,329
Additions to non-current assets	347	1,768	347	354	513	3,329	84	3,413
thereof investments in intangible assets	41	123	32	8	15	219	61	280
thereof investments in property, plant and equipment	235	533	128	115	12	1,023	2	1,026
Depreciation and amortization of non-current assets[1]	294	977	257	183	218	1,928	8	1,936
thereof amortization of intangible assets	4	91	31	19	7	152	5	157
thereof depreciation of property, plant and equipment (incl. right-of-use assets)	256	438	193	72	11	971	5	976

1 Depreciation and amortization of non-current assets as of December 31, 2023 has been adjusted due to an insignificant error in the Financial Services segment.

Reconciliation

The reconciliation of the segments' amounts to relevant amounts for the Daimler Truck Group is shown in table ↗ C.87.

C.87

Reconciliation of the segments to the Group Financial Statements

In millions of euros	At December 31, 2024	2023
Total of segments' profit (EBIT)	**4,676**	5,655
Profit/loss on equity-method investments	**-405**	-50
Other business activities and corporate items	**-598**	-399
Eliminations	**-81**	-23
EBIT of the Group	**3,592**	5,183
Total of segments' assets	**64,372**	61,752
Carrying amount of equity-method investments	**417**	708
Income tax assets[1]	**2,571**	1,776
Other business activities and corporate items	**661**	541
Eliminations	**-2,900**	-2,241
Segment assets of the Group	**65,122**	62,536
Unallocated financial assets (including liquidity) and assets from pensions and similar obligations[1]	**8,732**	8,676
Total assets of the Group	**73,854**	71,212
Total of segments liabilities	**50,843**	48,076
Income tax liabilities[1]	**2**	152
Other business activities and corporate items	**1,177**	1,111
Eliminations	**-2,591**	-2,010
Segment liabilities of the Group	**49,431**	47,329
Unallocated financial liabilities and liabilities from pensions and similar obligations[1]	**1,572**	1,659
Total equity of the Group	**22,850**	22,224
Total equity and liabilities of the Group	**73,854**	71,212

1 Excluding allocations to the Financial Services segment.

Other business activities and corporate items is comprised primarily of operational expenses of €244 million related to the Daimler Truck Group's autonomous driving business activities (2023: €172 million) and expenses from equity instruments measured at fair value through profit or loss of €7 million (2023: €39 million).

Revenue and non-current assets by region
With respect to information on geographical regions, revenue is allocated to countries based on the location of the customer; non-current assets are presented according to the physical location of these assets.

Revenue from external customers and non-current assets by region are shown in table ↗ C.88.

C.88
Revenue and non-current assets by region

	Revenue		Non-current assets[1]	
	2024	2023	Dec. 31, 2024	Dec. 31, 2023
In millions of euros				
Europe	16,237	18,426	9,316	8,948
thereof Germany	6,116	6,845	7,115	6,815
North America	25,566	24,613	3,716	3,296
thereof United States	20,419	20,056	3,047	2,735
Asia	6,050	7,172	2,134	2,266
thereof Japan	3,291	3,400	1,870	2,012
Latin America[2]	4,249	3,521	585	637
Other markets	1,975	2,158	253	239
	54,077	55,890	16,003	15,386

1 Non-current assets includes Intangible assets, Property, plant and equipment, and Equipment on operating leases.
2 Excluding Mexico.

35. Capital management

The capital management of the Daimler Truck Group is based on operating net assets as the capital base for the Industrial Business and equity as the capital base for Financial Services. The operating assets and liabilities of the segments in accordance with IFRS provide the basis for the determination of the operating net assets of the Industrial Business. The segments of the Industrial Business are accountable for all assets and liabilities for which they are responsible in day-to-day operations and therefore are allocated to them. The operating net assets of the Industrial Business also include reconciliation items of the Group that are not assigned to the segments. Items related to liquidity, income taxes and pensions are not part of the operating net assets. Performance measurement in the Financial Services segment is on an equity basis, in line with the usual practice in the financial service sector. The steering of the Industrial Business and Financial Services is based on the respective average capital base of the year. It is calculated from the average capital bases of the quarters, which are the averages of the beginning and end balances of the respective quarter.

Based on the respective capital bases, the return on capital employed for the Industrial Business and the return on equity for Financial Services are calculated. To evaluate the profitability of the invested capital, the return ratios are compared with the respective cost of capital rates. If the ratio exceeds the cost of capital rate, value creation from a shareholder view is indicated. The cost of capital rates of the Daimler Truck Group are derived from the minimum rates of return that investors expect on their invested capital. The cost of capital rate of the Industrial Business is determined from the weighted cost of equity and cost of debt rates. In line with usual business practice, the cost of equity rate is used as the cost of capital rate for Financial Services. The calculation of the cost of equity rate is based on the CAPM method. For internal steering in the reporting year 2024, a cost of capital rate of 12% before taxes was used for the Industrial Business. For Financial Services, the cost of equity rate applied was 14% before taxes.

The objective of capital management is to optimize the cost of capital. This is achieved by optimizing the operating net assets, including working capital, within the operating responsibility of the segments. In addition, taking legal regulations into account, the Daimler Truck Group strives to optimize the costs and risks of its capital structure and, consequently, the cost of capital. Examples of this include a balanced ratio between equity and debt as well as an appropriate level of liquidity, oriented towards operating requirements.

36. Earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to shareholders of the Daimler Truck Group. There were no dilution effects in respect of the shares in 2024 or 2023. The profit attributable to shareholders of the Daimler Truck Group (basic and diluted) amounted to €2,900 million (2023: €3,775 million).

The weighted average number of outstanding shares used for calculating earnings per share is calculated after deducting the treasure shares acquired as of December 31, 2024.

During the financial year 2024 the weighted average number of outstanding shares were 796 million and for the fourth quarter of 2024 it were 784 million.

Table ↗ C.89 shows the numerator and the denominator for the calculation of earnings per share.

C.89
Earnings per share

	2024	2023
In millions of euros		
Consolidated profit/loss attributable to shareholders	2,900	3,775
in millions of shares		
Weighted-average number of shares outstanding – basic and diluted	796	818
Earnings per share – basic and diluted	3.64	4.62

37. Related party disclosures

Related companies
As of the reporting date, the related companies included in particular the Mercedes-Benz Group due to Mercedes-Benz Group's shareholding in Daimler truck Holding AG of just over 30%. Related companies that were part of the Mercedes-Benz Group therefore included Mercedes-Benz Group AG, its direct and indirect subsidiaries and their joint ventures.

In addition, related companies also include associated companies, joint ventures and the non-consolidated subsidiaries of the Daimler Truck Group, as well as their associates.

Goods and services supplied between the Daimler Truck Group and related companies are shown in table ↗ **C.90**.

Transactions with the Mercedes-Benz Group
The Daimler Truck Group made sales to companies of the Mercedes-Benz Group. Those sales relate predominantly to trucks, parts, spare parts and services. Furthermore, the Daimler Truck Group purchased goods and services from companies of the Mercedes-Benz Group. The purchases of goods and services primarily relate to parts, spare parts and services provided by central functions. These central corporate functions of the Mercedes-Benz Group include services such as, but are not limited to, accounting, IT, and personnel-related services.

Non-controlling interests in Gamma (1–4) Daimler Truck Grundstücksverwaltung GmbH & Co. OHGs and in Daimler Buses Grundstücksverwaltung GmbH & Co. OHG
At December 31, 2024, non-controlling interests in the Gamma (1-4) Daimler Truck Grundstücksverwaltung GmbH & Co. OHGs and Daimler Buses Grundstücksverwaltung GmbH & Co. OHG held by Mercedes-Benz Grund Services GmbH were recognized as financial liabilities and amounted to €229 million (December 31, 2023: €213 million). For further information, refer to Note 1. General information and material accounting policies and Note 24. Financing liabilities.

Leases with the Mercedes-Benz Group
The Daimler truck Group sells vehicles with a right of return to companies in the Mercedes-Benz Group, which are recognized as leases due to the obligation to repurchase them. The corresponding liabilities from residual value guarantees as of December 31, 2024 amounted to €731 million (December 31, 2023: €1,051 million). The related deferred income at December 31, 2024 amounted to €383 million (December 31, 2023: €640 million).

For lease transactions where Financial Services companies lease passenger vehicles to third-party customers, which were previously acquired from external dealers, the Mercedes-Benz Group issued residual value guarantees. At December 31, 2024 the residual value guarantees issued by the Mercedes-Benz Group to Financial Services for leased passenger cars (leased out to end customers under operating leases) amounted to €25 million (December 31, 2023: €47 million). Residual value guarantees issued by the Mercedes-Benz Group to Financial Services companies where passenger cars were leased out to end customers under a finance lease amounted to €9 million at December 31, 2024 (December 31, 2023: €26 million).

In addition, prior to the spin-off, the Daimler Truck Business granted Financial Services companies, which were still part of the Mercedes-Benz Group, credit risk guarantees for the default risk of customers. These commit the Daimler Truck Group to make compensation payments to the companies of the Mercedes-Benz Group if customers fail to make payments when due. Financial liabilities due to Mercedes-Benz Group companies as of December 31, 2024 amounted to €1 million (December 31, 2023: €1 million). The corresponding off-balance-sheet amounts for the financial liabilities resulting from credit risk guarantees issued to the Mercedes-Benz Group amounted to €11 million as of December 31, 2024 (December 31, 2023: €20 million).

Financial liabilities resulting from transactions with companies of the Mercedes-Benz Group include financial liabilities from sale and leaseback transactions where the sale does not satisfy the requirements of IFRS 15.

For lease transactions where the Daimler Truck Group is a lessee, the carrying amount of right-of-use assets amounted to €65 million at December 31, 2024 (December 31, 2023: €78 million). At December 31, 2024, the carrying amount of the associated lease liabilities were €63 million (December 31, 2023: €77 million). The lease transactions included real estate, IT equipment and other items.

Hedging
The Daimler Truck Group hedges interest and foreign exchange risks independently using its own hedging instruments. Further information with regard to the volume, nature and strategy of those hedging procedures can be found in Note 32. Financial instruments and Note 33. Management of financial risks.

Associated companies
In business relationships with associated companies, significant revenue from the sales of goods and services was realized with associated companies of Mitsubishi Fuso Truck and Bus Corporation (MFTBC).

Joint ventures
In business relationships with joint ventures, significant sales of goods and services took place with National Automobile Industry Company Ltd. (NAI) and Beijing Foton Daimler Automotive Co., Ltd. (BFDA).

Due to the delayed development of the infrastructure for green hydrogen in the core regions Europe and the USA, as well as the current uncertainty regarding the framework conditions in the USA, the carrying amount of the investment in our fuel cells joint venture cellcentric GmbH & Co. KG was impaired by €281 million as of December 31, 2024. Daimler Truck remains convinced that hydrogen-powered vehicles are an essential part of the CO_2e-neutral transport of the future to achieve the European fleet targets.

Further information on capital contributions made as well as further details of the significant associates and joint ventures can be found in Note 13. Equity-method investments.

Contingent liabilities and other financial obligations
Further information on contingent liabilities and other financial obligations with related parties are provided in Note 31. Contingent liabilities and other financial obligations.

Joint and several liability of the Mercedes-Benz Group for claims against liabilities of Daimler Truck AG from the 2019 hive-down
In 2019, Mercedes-Benz Group AG hived down parts of its business operations into Daimler Truck AG and Mercedes-Benz AG. Pursuant to Section 133 of the German Transformation Act (UmwG), all three legal entities are jointly and severally liable for all liabilities of Mercedes-Benz Group AG that existed as of the registration date of the hive-down in the commercial register.

Mercedes-Benz Group AG and Mercedes-Benz AG were therefore also liable for liabilities assigned to Daimler Truck AG that existed as of the date of the announcement of the entry of the hive-down in the commercial register for a period of five years. For pension obligations based on the German Company Pensions Act (Betriebsrentengesetz), the aforementioned period is ten years.

Further relevant provisions in this context, in particular the procedure for regulating the internal settlements between the participating legal entities, are set out in the hive-down agreement of March 25, 2019.

According to the current appraisal, an actual claim with respect to the subsequent liability relationship between the entities is considered to be unlikely.

Guarantees
Prior to the spin-off, the Mercedes-Benz Group issued guarantees in favor of the Daimler Truck Group and its customers.

After the spin-off in 2021, no new letters of credit and guarantees to secure the obligations of the companies of the Daimler Truck Group were issued by Mercedes-Benz Group AG or other companies of the Mercedes-Benz Group. Existing guarantees were replaced by the corresponding Daimler Truck Group guarantees to the extent possible and reasonable from an administration perspective.

At December 31, 2024, there were no guarantees issued by the Mercedes-Benz Group (December 31, 2023: €108 million).

As of December 31, 2024 guarantees issued by the Daimler Truck Group in favor of associated companies, joint ventures and affiliated but not consolidated companies amounted to €197 million. There were no guarantees issued to the Mercedes-Benz Group in 2024. As of December 31, 2023 guarantees issued to the Mercedes-Benz Group associated companies, joint ventures and affiliated but not consolidated companies amounted to €105 million.

Contributions to plan assets
Daimler Truck Pension Trust e.V. administers the plan assets to secure pension obligations in Germany on a fiduciary basis and is therefore a related party of the Daimler Truck Group. Daimler Truck AG bears insignificant expenses and provides services for the company. In financial year 2024, allocations to Daimler Truck Pension Trust e.V. amounted to €24 million (2023: €40 million, of which €250 million was allocated on the basis of the 2021 demerger agreement).

Share-based payments
For further information, refer to Note 21. Share-based payment.

Related persons
At the reporting date, all members of the Board of Management and of the Supervisory Board of Daimler Truck Holding AG were also considered to be key management personnel.

Remuneration for the key management personnel
Information on management remuneration in key positions is provided in Note 38. Remuneration of the members of the Board of Management and the Supervisory Board.

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Transactions with related companies

	Sales of goods and services and other income		Purchase of goods and services and other expense		Receivables[1] At December 31,		Payables[2] At December 31,	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
In millions of euros								
Associated companies	**158**	166	**16**	13	**30**	34	**11**	2
thereof MFTBC investees[3]	**150**	158	**16**	13	**24**	27	**2**	2
Joint ventures	**249**	481	**242**	41	**67**	343	**24**	7
thereof NAI[4]	**127**	318	**–**	–	**60**	88	**–**	–
thereof BFDA[5]	**91**	144	**219**	5	**–**	255	**18**	2
Mercedes-Benz Group[6]	**1,846**	2,374	**869**	968	**203**	289	**1,255**	1,618

1 Receivables comprise balance sheet items that result in cash inflow. These include trade receivables, loans granted and other receivables. This included a special item of €201 million in 2024 from the impairment of receivables resulting from the ongoing discussions with our partner with regard to our China business (December 31, 2023: €0 million).
2 Payables comprise balance sheet items that lead to potential future cash outflow. They include trade accounts payable, residual value guarantees, default risks from guarantees, financing liabilities, lease liabilities and other liabilities.
3 Associated companies of Mitsubishi Fuso Truck and Bus Corporation (MFTBC).
4 National Automobile Industry Company Ltd. (NAI).
5 Beijing Foton Daimler Automotive Co., Ltd. (BFDA).
6 Thereof expenses for services received from the Mercedes-Benz Group of €444 million (2023: €525 million).

38. Remuneration of the members of the Board of Management and the Supervisory Board

The remuneration for the key management personnel is shown in table ↗ C.91.

With the introduction of Remuneration System 2023+ on January 01, 2023, the long-term variable remuneration from the previous remuneration system, known as the Performance Phantom Share Plan (PPSP), was replaced with the Virtual Share-Based Equity Plan (VSEP). However, the ongoing PPSP tranches 2021 and 2022 were not affected by this.

The PPSP tranches 2019, 2020 and 2021 originally issued by Mercedes-Benz Group AG (formerly Daimler AG) were transferred to Daimler Truck Holding AG in 2021 through transfer agreements and will be continued by them. Daimler Truck Holding AG issued an additional PPSP tranche 2022.

The expenses for the variable remuneration with a long-term incentive effect, as shown in table ↗ C.91, result from the ongoing measurement at fair value at each reporting date of all rights granted and not yet due under the PPSP and, from 2023 onwards, the VSEP. Refer to Note 21. Share-based payment for additional information.

The members of the Supervisory Board of Daimler Truck Holding AG are solely granted short-term fixed remuneration for their board and committee activities, the amounts of which depend on their functions in the Supervisory Board. With the exception of remuneration paid to the members representing the employees in accordance with their contracts of employment, no remuneration was paid for services provided personally beyond board and committee activities, in particular for advisory or mediation services.

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Remuneration of the members of the Board of Management and the Supervisory Board of DTHAG according to IAS 24.17

	2024	2023
In millions of euros		
Remuneration of the Board of Management		
Fixed remuneration (base salary)	8.3	7.0
Short-term variable remuneration (annual bonus)	6.0	10.4
Mid-term variable remuneration (deferral)	–	-
Variable remuneration with a long-term incentive effect (PPSP/VSEP)	11.2	9.7
Post-employment benefits (service cost)	1.8	2.1
Termination benefits	0.8	-
	28.1	29.2
Remuneration of the Supervisory Board	3.7	3.7
	31.8	32.9

Disclosures in accordance with Section 314 Subsection 1 No. 6 of the German Commercial Code (HGB)
The overall remuneration granted to the members of the Board of Management of Daimler Truck Holding AG (excluding pension commitments), resulting from entitlements as defined by Section 314 Subsection 1 No. 6 of the German Commercial Code (HGB) for the financial year 2024 is calculated as the total of the following

- the fixed basic remuneration for 2024
- the annual bonus for 2024, to be paid in 2025 with the value as of the balance sheet date,
- the grant value of the long-term share-based compensation (Virtual Share-Based Equity Plan - VSEP) at the grant date in 2024 (for payment in 2028) and
- the taxable non-cash benefits and fringe benefits in 2024.

For the share-based compensation component, the long-term PPSP/VSEP, the respective future payment amounts may deviate significantly from the values shown, depending on the performance of the Daimler Truck Holding AG share and the achievement of the respective target parameters. The possible upward deviation is limited by maximum limits. A total failure of both components is also possible.

For 2024, €8,8 million (2023: €7,7 million) is attributable to fixed (i.e. non-performance-related) remuneration, and €6,0 million (2023: €10,4 million) to short-term performance-related variable compensation components (annual bonus 2024). The fair value of the long-term variable share-based compensation (PPSP/VSEP) amounted €10,8 million (2023: €9,5 million). For this purpose, 287,134 virtual shares were granted (2023: 291,953 shares). This corresponds to a total amount of €25,6 million for 2024 (2023: €27,6 million).

Payments made to former members of the Board of Management and their surviving dependents amounted to €1,1 million (2023: €78 thousand). Pension provisions for former members of the Board of Management and their surviving dependents amounted to €6,4 million (2023: €4,7 million).

No advance payments or loans were made or waived to current or former members of the Board of Management or to the members of the Supervisory Board of Daimler Truck Holding AG.

The remuneration for the Supervisory Board of Daimler Truck Holding AG amounts to €3,7 million (2023: €3.7 million).

39. Auditor fee

The shareholders of Daimler Truck Holding AG appointed KPMG AG Wirtschaftsprüfungsgesellschaft as the statutory auditor on May 15, 2024. Pursuant to Section 314 Subsection 1 No. 9 of the German Commercial Code (HGB), table ↗ C.92 shows the fees for services provided by KPMG AG Wirtschaftsprüfungsgesellschaft and the companies of the worldwide KPMG network to Daimler Truck Holding AG and the consolidated subsidiaries.

The Audit services relate to the audit of the Daimler Truck Group's Consolidated Financial Statements and the year-end financial statements of the consolidated entities of the Daimler Truck Group, as well as to all services required for the audit including the reviews of interim financial statements, the accounting-related audit of the internal control system, and accounting-related reviews of the introduction of IT systems and processes.

Other attestation services were provided in particular for audits of IT systems and the issuance of comfort letters.

Other services mainly related to engagements for non-accounting-related IT and process consultations in connection with quality assurance.

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Auditor fees

	2024	2023
In millions of euros		
Audit services	24.1	21.8
thereof KPMG AG Wirtschaftsprüfungsgesellschaft	12.7	10.9
Other attestation services	2.2	1.9
thereof KPMG AG Wirtschaftsprüfungsgesellschaft	1.6	1.7
Other services	1.7	1.7
thereof KPMG AG Wirtschaftsprüfungsgesellschaft	1.7	1.7
	28.0	25.4

40. Events after the reporting period

Bond issuance
In January 2025, the Daimler Truck Group issued a bond of €2.8 billion on the US capital market.

Change in the segment allocation
As of January 01, 2025, Daimler Truck has integrated its businesses in China and India from the Trucks Asia segment into the Mercedes-Benz segment, thereby forming a global Mercedes-Benz Trucks segment. All other activities of the Trucks Asia segment are not affected by this reorganization. In addition, there were insignificant impacts at Trucks North America and Daimler Buses arising from the changes in allocations and no impact on Financial Services segment. The new allocations have no impact at the level of the Daimler Truck Group.

Further information can be found in the Business model section of the combined management report.

Cost Down Europe
In recent years, the Mercedes-Benz Trucks segment has worked to make its business in Europe more efficient and reduce costs. As the measures taken to date have not been sufficient, the evaluation process for implementing restructuring and efficiency measures is ongoing. The "Cost Down Europe" program was initiated for this purpose in January 2025.

USA import tariffs
Given the current dynamic nature of discussions and decisions on import tariffs, in particular US tariffs on imports from Mexico and Canada, it is currently not possible to quantify the impact on Daimler Truck. Daimler Truck will continue to monitor the discussions very closely.

41. Additional information

German Corporate Governance Code
The Board of Management and the Supervisory Board of Daimler Truck Holding AG have issued a declaration pursuant to Section 161 of the German Stock Corporation Act (AktG) and is accessible to its shareholders at www.daimlertruck.com/en/company/corporate-governance/declarations-reports for up to five years, where available.

Statement of investments
The statement of investments of the Daimler Truck Group are presented in table ↗ C.93 pursuant to Section 313 Subsection 2 Nos. 1-6 of the German Commercial Code (HGB). The statement of investments show direct equity participation in accordance with HGB and excludes joint operations without an equity interest. In addition, the list indicates which subsidiaries make use of the exemption pursuant to Section 264 Subsection 3 HGB and/or Section 264b HGB. The Consolidated Financial Statements of Daimler Truck Holding AG release those subsidiaries from the requirement to publish annual financial statements that would otherwise apply.

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Name of the company	Domicile, country/region	Equity interests in percent[1]	Footnote(s)
I. Consolidated subsidiaries			
Atlantis Foundries (Pty.) Ltd.	Atlantis, South Africa	100.00	
Banco Mercedes-Benz do Brasil S.A.	São Bernardo do Campo, Brazil	100.00	
Campo Largo Comercio de Veículos e Peças Ltda.	Campinas, Brazil	100.00	
CharterWay GmbH	Berlin, Germany	100.00	
Daimler Buses Austria GmbH	Wiener Neudorf, Austria	100.00	
Daimler Buses Belgium NV	Kobbegem-Asse, Belgium	100.00	
Daimler Buses Česká republika s.r.o.	Prague, Czech Republic	100.00	
Daimler Buses España, S.A.U.	Santander, Spain	100.00	
Daimler Buses France S.A.S.U.	Sarcelles, France	100.00	
Daimler Buses GmbH	Stuttgart, Germany	100.00	3
Daimler Buses Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	89.88	3, 4
Daimler Buses Italia S.p.A.	Bomporto, Italy	100.00	
Daimler Buses Nederland B.V.	Nijkerk, Netherlands	100.00	
Daimler Buses North America Inc.	Oriskany, USA	100.00	
Daimler Buses Polska Sp. z o.o.	Wolica, Poland	100.00	
Daimler Buses Portugal, S.A.	Sintra, Portugal	100.00	
Daimler Buses Schweiz AG	Winterthur, Switzerland	100.00	
Daimler Buses Sverige AB	Vetlanda, Sweden	100.00	
Daimler Buses UK Ltd	Coventry, United Kingdom	100.00	
Daimler Financial Services México, S. de R.L. de C.V.	Mexico City, Mexico	100.00	
Daimler Financial Services, S.A. de C.V., S.O.F.O.M., E.N.R.	Mexico City, Mexico	100.00	
Daimler India Commercial Vehicles Private Limited	Chennai, India	100.00	
Daimler Manufactura, S. de R.L. de C.V.	Mexico City, Mexico	100.00	
Daimler Mexico, S.A. de C.V.	Mexico City, Mexico	100.00	
DAIMLER SERVICIOS CORPORATIVOS MEXICO S. DE R.L. DE C.V.	Mexico City, Mexico	100.00	
Daimler Sigorta Aracilik Hizmetleri A.S.	Istanbul, Türkiye	100.00	
Daimler Truck & Bus Romania S.R.L.	Bucharest, Romania	100.00	
Daimler Truck & Bus Slovakia s.r.o.	Bratislava, Slovakia	100.00	
Daimler Truck AG	Stuttgart, Germany	100.00	3
Daimler Truck Australia Pacific Pty Ltd	Melbourne, Australia	100.00	
Daimler Truck Austria GmbH	Eugendorf, Austria	100.00	
Daimler Truck Belgium Luxembourg NV/SA	Woluwe-Saint-Lambert, Belgium	100.00	
Daimler Truck Canada Ltd.	Mississauga, Canada	100.00	
Daimler Truck Česká republika s.r.o.	Prague, Czech Republic	100.00	
Daimler Truck China Limited	Beijing, China	100.00	
Daimler Truck Customer Services & Parts s.r.o.	Prague, Czech Republic	100.00	

Name of the company	Domicile, country/region	Equity interests in percent[1]	Footnote(s)
Daimler Truck España, S.L.U.	Madrid, Spain	100.00	
Daimler Truck Finance Canada Inc.	Toronto, Canada	100.00	
Daimler Truck Finance North America LLC	Wilmington, USA	100.00	
Daimler Truck Financial Services Asia Co., Ltd.	Tokyo, Japan	100.00	
DAIMLER TRUCK FINANCIAL SERVICES AUSTRALIA PTY LTD	Melbourne, Australia	100.00	
Daimler Truck Financial Services Belgium NV	Woluwe-Saint-Lambert, Belgium	100.00	
Daimler Truck Financial Services Brasil Holding S.A.	São Bernardo do Campo, Brazil	100.00	
Daimler Truck Financial Services Canada Corporation	Vancouver, Canada	100.00	
Daimler Truck Financial Services Česká republika s.r.o.	Prague, Czech Republic	100.00	
Daimler Truck Financial Services Deutschland GmbH	Berlin, Germany	100.00	
Daimler Truck Financial Services España, E.F.C., S.A.U.	Madrid, Spain	100.00	
Daimler Truck Financial Services France S.A.	Montigny-le-Bretonneux, France	100.00	
Daimler Truck Financial Services GmbH	Stuttgart, Germany	100.00	3
Daimler Truck Financial Services Italia S.p.A	Rome, Italy	100.00	
Daimler Truck Financial Services Nederland B.V.	Nieuwegein, Netherlands	100.00	
Daimler Truck Financial Services Polska sp. Z. o. o.	Warsaw, Poland	100.00	
Daimler Truck Financial Services Slovakia s.r.o.	Bratislava, Slovakia	100.00	
Daimler Truck Financial Services South Africa (Pty) Ltd	Centurion, South Africa	100.00	
Daimler Truck Financial Services UK Limited	Milton Keynes, United Kingdom	100.00	
Daimler Truck Financial Services USA LLC	Wilmington, USA	100.00	
Daimler Truck France S.A.S.U.	Montigny-le-Bretonneux, France	100.00	
DAIMLER TRUCK HOLDING AUSTRALIA PACIFIC PTY LTD	Melbourne, Australia	100.00	
Daimler Truck Immobilien Service GmbH	Schönefeld, Germany	100.00	3
Daimler Truck Insurance Agency LLC	Wilmington, USA	100.00	
Daimler Truck International Finance B.V.	Utrecht, Netherlands	100.00	
Daimler Truck Italia s.r.l.	Rome, Italy	100.00	
Daimler Truck Locações e Serviços Ltda.	São Bernardo do Campo, Brazil	100.00	
Daimler Truck Nederland B.V.	Utrecht, Netherlands	100.00	
Daimler Truck North America LLC	Portland, USA	100.00	
Daimler Truck Polska Sp. z o.o.	Warsaw, Poland	100.00	
Daimler Truck Portugal, S.A.	Sintra, Portugal	100.00	
Daimler Truck Remarketing Corporation	Portland, USA	100.00	
Daimler Truck Renting España, S.A.U.	Madrid, Spain	100.00	
Daimler Truck Retail Italia S.r.l.	Rome, Italy	100.00	
Daimler Truck Retail Lyon S.A.S.	Genas, France	100.00	
Daimler Truck Retail Madrid, S.A.U.	Madrid, Spain	100.00	
Daimler Truck Retail Paris S.A.S.	Wissous, France	100.00	
Daimler Truck Retail Polska Sp. z o.o.	Warsaw, Poland	100.00	
Daimler Truck Retail Portugal, Unipessoal Lda.	Sintra, Portugal	100.00	

Name of the company	Domicile, country/region	Equity interests in percent[1]	Footnote(s)
Daimler Truck Retail Polska Sp. z o.o.	Warsaw, Poland	100.00	
Daimler Truck Retail Portugal, Unipessoal Lda.	Sintra, Portugal	100.00	
Daimler Truck Schweiz AG	Schlieren, Switzerland	100.00	
Daimler Truck South East Asia Pte. Ltd.	Singapore, Singapore	100.00	
Daimler Truck Southern Africa Ltd	Centurion, South Africa	100.00	
Daimler Truck UK Limited	Milton Keynes, United Kingdom	100.00	
Daimler Truck Vermögens- und Beteiligungsgesellschaft mbH	Stuttgart, Germany	100.00	3
Daimler Truck Verwaltungsgesellschaft für Grundbesitz mbH	Schönefeld, Germany	100.00	3
Daimler Trucks & Buses US Holding LLC	Wilmington, USA	100.00	
Daimler Trucks and Buses (China) Ltd.	Beijing, China	100.00	
Daimler Trucks Asia Taiwan Ltd.	Taipei, Taiwan	51.00	
Daimler Trucks Korea Ltd.	Seoul, South Korea	100.00	
Daimler Trucks Retail Receivables LLC	Wilmington, USA	100.00	5
Daimler Trucks Retail Trust 2022-1	Wilmington, USA	0.00	5
Daimler Trucks Retail Trust 2023-1	Wilmington, USA	0.00	5
Daimler Trucks Retail Trust 2023-A	Wilmington, USA	0.00	5
Daimler Trucks Retail Trust 2023-B	Wilmington, USA	0.00	5
Daimler Trucks Retail Trust 2024-1	Wilmington, USA	0.00	5
Daimler Vehículos Comerciales Mexico, S. de R.L. de C.V.	Mexico City, Mexico	100.00	
Detroit Diesel Corporation	Detroit, USA	100.00	
Detroit Diesel Remanufacturing LLC	Detroit, USA	100.00	
DTFC Holding GmbH	Stuttgart, Germany	100.00	3
DTFS Immobilien Holding GmbH	Schönefeld, Germany	100.00	
Freightliner Custom Chassis Corporation	Gaffney, USA	100.00	3,4
Gamma 1 Daimler Truck Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	89.90	3,4
Gamma 2 Daimler Truck Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	89.90	3,4
Gamma 3 Daimler Truck Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	89.90	3,4
Gamma 4 Daimler Truck Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	89.90	3,4
Gamma 5 Daimler Truck Grundstücksverwaltung GmbH & Co. OHG	Schönefeld, Germany	100.00	3,5
Gamma 6 Daimler Truck Grundstücksverwaltung GmbH	Schönefeld, Germany	100.00	
Mercedes Benz Kamyon Finansman A.S.	Istanbul, Türkiye	100.00	
Mercedes-Benz Broker Argentina S.A.	Buenos Aires, Argentina	99.00	
Mercedes-Benz Camiones y Buses Argentina S.A.U.	Buenos Aires, Argentina	100.00	
Mercedes-Benz Compañía Financiera Argentina S.A.	Buenos Aires, Argentina	100.00	
Mercedes-Benz Corretora de Seguros Ltda	São Bernardo do Campo, Brazil	100.00	
Mercedes-Benz do Brasil Ltda.	São Bernardo do Campo, Brazil	100.00	
Mercedes-Benz Leasing do Brasil Arrendamento Mercantil S.A.	São Bernardo do Campo, Brazil	100.00	
Mercedes-Benz Servicios S.A.	Buenos Aires, Argentina	100.00	
Mercedes-Benz Trucks Molsheim S.A.S.U.	Molsheim, France	100.00	

Name of the company	Domicile, country/region	Equity interests in percent[1]	Footnote(s)
Mercedes-Benz Türk A.S.	Istanbul, Türkiye	66.91	
Mitsubishi Fuso Bus Manufacturing Co., Ltd.	Toyama, Japan	100.00	
Mitsubishi Fuso Truck and Bus Corporation	Kawasaki, Japan	89.29	
MITSUBISHI FUSO TRUCK EUROPE - Sociedade Europeia de Automóveis, S.A.	Tramagal, Portugal	100.00	
PABCO Co., Ltd.	Ebina, Japan	100.00	
PT Daimler Commercial Vehicles Indonesia	Jakarta, Indonesia	100.00	
PT Daimler Commercial Vehicles Manufacturing Indonesia	Bogor, Indonesia	100.00	
Sandown Motor Holdings (Pty) Ltd	Centurion, South Africa	100.00	
SelecTrucks Comércio de Veículos Ltda	São Bernardo do Campo, Brazil	100.00	
SelecTrucks of America LLC	Portland, USA	100.00	
SelecTrucks of Toronto, Inc.	Mississauga, Canada	100.00	
Sterling Truck Corporation	Portland, USA	100.00	
Sumperská správa majetku k.s.	Prague, Czech Republic	100.00	4
Thomas Built Buses of Canada Limited	Calgary, Canada	100.00	
Thomas Built Buses, Inc.	High Point, USA	100.00	
TORC CND Robotique, Inc.	Montreal, Canada	100.00	
Torc Europe GmbH	Stuttgart, Germany	100.00	
TORC Robotics, Inc.	Blacksburg, USA	91.05	
Ukuvela Holdings Proprietary Limited	Atlantis, South Africa	100.00	
Ukuvela Properties (Pty.) Ltd.	Atlantis, South Africa	100.00	
Western Star Trucks Sales, Inc	Portland, USA	100.00	
II. Unconsolidated subsidiaries[2,6]			
Chugoku Mitsubishi Fuso Truck & Bus Sales Co., Ltd.	Hiroshima, Japan	100.00	
CLOUDGEEKS, UNIPESSOAL LDA	Lisbon, Portugal	100.00	
Cúspide Daimler Trucks & Buses GmbH	Leinfelden-Echterdingen, Germany	100.00	
Daimler Automotive de Venezuela C.A.	Valencia, Venezuela	100.00	
Daimler Buses Solutions GmbH	Stuttgart, Germany	100.00	
Daimler Coaches North America LLC	Wilmington, USA	100.00	
Daimler Commercial Vehicles (Thailand) Ltd.	Bangkok, Thailand	100.00	
Daimler Commercial Vehicles Africa Ltd.	Nairobi, Kenya	100.00	
Daimler Truck Gastronomie GmbH	Gaggenau, Germany	100.00	
Daimler Truck Innovation Center India Private Limited	Bangalore, India	100.00	
Daimler Truck International Assignment Services LLC	Wilmington, USA	100.00	
Daimler Truck MEA FZE	Dubai, United Arab Emirates	100.00	
Daimler Truck MENA Holding GmbH	Leinfelden-Echterdingen, Germany	100.00	
DICV MOBILITY SOLUTIONS PRIVATE LIMITED	Chennai, India	99.99	
DTB Tech & Data Hub, Unipessoal Lda	Tramagal, Portugal	100.00	
Mercedes ServiceCard Beteiligungsgesellschaft mbH	Kleinostheim, Germany	51.00	

Name of the company	Domicile, country/region	Equity interests in percent[1]	Footnote(s)
Mercedes ServiceCard GmbH & Co. KG	Kleinostheim, Germany	51.00	
TASIAP GmbH	Stuttgart, Germany	60.00	
MFTA Canada, Inc.	Toronto, Canada	100.00	
Mitsubishi Fuso Truck of America, Inc.	Logan Township, USA	100.00	
T.O.C (Schweiz) AG	Schlieren, Switzerland	51.00	
WTX Technologies GmbH	Stuttgart, Germany	85.00	
III. Joint operations accounted for using the equity method			
North America Fuel Systems Remanufacturing LLC	Kentwood, USA	50.00	
IV. Joint ventures accounted for using the equity method			
Amplify Cell Technologies LLC	Wilmington, USA	30.00	
Beijing Foton Daimler Automotive Co., Ltd.	Beijing, China	50.00	
cellcentric GmbH & Co. KG	Kirchheim unter Teck, Germany	50.00	
Commercial Vehicle Charging Europe B.V.	Amsterdam, Netherlands	33.33	
Greenlane Infrastructure, LLC	Wilmington, USA	33.33	
Polomex, S.A. de C.V.	Garcia, Mexico	26.00	
V. Associated companies accounted for using the equity method			
FUSO LAND TRANSPORT & Co. Ltd.	Kawasaki, Japan	21.67	
Kanagawa Mitsubishi Fuso Truck & Bus Sales Co., Ltd.	Yokohama, Japan	43.83	
Okayama Mitsubishi Fuso Truck & Bus Sales Co., Ltd.	Okayama, Japan	50.00	
P.T. Krama Yudha Tiga Berlian Motors	Jakarta, Indonesia	30.00	
P.T. Mitsubishi Krama Yudha Motors and Manufacturing	Jakarta, Indonesia	32.28	
Toll4Europe GmbH	Munich, Germany	15.00	
VI. Joint operations, joint ventures, associated companies and substantial other investments accounted for at (amortized) cost[2,6]			
cellcentric Verwaltungsgesellschaft mbH	Kirchheim unter Teck, Germany	50.00	
Circulo Cerrado S.A. de Ahorro para Fines Determinados	Buenos Aires, Argentina	25.95	
COBUS Industries GmbH	Wiesbaden, Germany	40.82	
EIKONA Mobile Apps GmbH	Volkach, Germany	49.90	
EVNION Inc.	Kawasaki, Japan	35.00	
H2 Mobility Deutschland GmbH & Co. KG	Berlin, Germany	1.70	
MFTB Taiwan Co., Ltd.	Taipei, Taiwan	33.40	
National Automobile Industry Company Ltd.	Jeddah, Saudi Arabia	26.00	
Omuta Unso Co., Ltd.	Omuta, Japan	33.51	
Toyo Kotsu Co., Ltd.	Sannoseki, Japan	28.20	
WärmeWerk Wörth GmbH	Wörth am Rhein, Germany	45.00	

Name of the company	Domicile, country/region	Equity interests in percent[1]	Footnote(s)
VII. Significant other investments accounted for at Fair Value[6]			
Deutz AG	Cologne, Germany	**4.18**	
G2VP I, LLC	Dover, USA	**5.71**	
Manz AG	Reutlingen, Germany	**9.08**	
Trucks Venture Fund I, LP	Lewes, USA	**20.76**	

1 Shareholding pursuant to Section 16 of the German Stock Corporation Act (AktG).
2 For the accounting of unconsolidated subsidiaries, joint operations, joint ventures and associated companies, refer to Note 1. General information and significant accounting policies.
3 Qualification for exception pursuant to Section 264 Subsection 3 and Section 264b of the German Commercial Code (HGB).
4 Daimler Truck Holding AG or one or several consolidated subsidiaries is/are the partner(s) with unlimited liability.
5 Control due to economic circumstances.
6 Information on equity and earnings and information on investments pursuant to Section 313 Subsection 2 No. 4 of the German Commercial Code (HGB) has been omitted since, according to Section 313 Subsection 3 Sentence 4 of the HGB, such information is of minor relevance for a fair presentation of the profitability, liquidity and capital resources, or financial position of the Daimler Truck Group.

D

Further Information

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position, cash flows and profit or loss of the Daimler Truck Group, and the Daimler Truck Group management report, which has been combined with the management report for Daimler Truck Holding AG, includes a fair review of the development and performance of the business and the position of the Daimler Truck Group, together with a description of the principal opportunities and risks associated with the expected development of the Daimler Truck Group.

Leinfelden-Echterdingen, March 13, 2025

Karin Rådström

Karl Deppen

Dr. Andreas Gorbach

Jürgen Hartwig

John O'Leary

Achim Puchert

Eva Scherer

Independent Auditor's Report

To Daimler Truck Holding AG, Stuttgart

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Opinions
We have audited the consolidated financial statements of Daimler Truck Holding AG, Stuttgart, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2024, and the consolidated statement of income, consolidated statement of comprehensive income/loss, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from January 1 to December 31, 2024 and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the report on the situation of the Company and the Group (hereinafter referred to as the "combined management report") of Daimler Truck Group AG for the financial year from January 1 to December 31, 2024.

In accordance with the German legal regulations, we have not audited the contents of the elements of the combined management report referred to in the "Other information" section of our auditor's report.

The combined management report contains cross-references marked as unaudited that are not required by law. In accordance with German legal requirements, we have not audited the content of these cross-references or the information to which the cross-references refer.

In our opinion, on the basis of the knowledge obtained in the audit

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e paragraph 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as of December 31, 2024, and of its financial performance for the financial year from January 1 to December 31, 2024 and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, the combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the elements of the combined management report referred to in the "Other information" section of our auditor's report. The combined management report contains cross-references marked as unaudited that are not required by law. In accordance with German legal requirements, we have not audited the content of these cross-references or the information to which the cross-references refer.

Pursuant to Section 322 paragraph 3 sentence 1 HGB [Handelsgesetzbuch: German Commercial Code] we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financal statements and of the combined management report.

Basis for the Opinions
We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as the "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 paragraph 2 letter f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 paragraph 1 of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Loss Allowances on Receivables from Financial Services

Please refer with regard to the accounting policies applied to the notes to the consolidated financial statements in Note 1 “General Information and significant accounting policies”, Note 2 “Accounting estimates and management judgements”, Note 14 “Receivables from financial services”, Note 33 “Management of financial risks” and to the combined management report in the chapter entitled “Risk and Opportunity Report” in the section entitled “Financial risks and opportunities”.

The risk for the consolidated financial statements

Receivables from financial services (EUR 28.893 million) resulting from the financing and leasing activities of the Daimler Truck Group include receivables from sales financing with customers, receivables from sales financing with dealers and receivables from finance lease contracts. The loss allowances on these receivables amounts at the reporting date to EUR 599 million.

The calculation of the loss allowances is based on expected credit losses and therefore also includes expectations regarding the future. The expected credit losses are recognised by means of a three-parameter procedure for the determination of loss allowances. At the same time, various factors determining the value, such as the determination of statistical default probabilities and loss rates, the possible amount receivable on default, the parameter transfer criteria that are related to a significant change in the default risk of borrowers, and the calculation of future cash flows are taken into account. Furthermore, macroeconomic scenarios (base scenario, optimistic and pessimistic scenarios), the identification of which to a high degree includes discretionary judgements and uncertainties, flow into the calculation of allowances. The risk for the financial statements is that the creditworthiness of customers and the amount and timing of the payment of future cash flows are misjudged or that the calculation of the risk provision parameters is incorrect so that loss allowances are not recognised or are insufficient.

Our audit approach

We obtained a comprehensive understanding of the development of the portfolios, the associated counterparty default risks and the processes for identifying, managing, monitoring and measuring credit risks, by inspecting analyses and risk reports, interrogations, review of guidelines and working instructions, checking the defined methods and their implementation and checking and walking through the validation process and the individual validation reports.

We audited the appropriateness and effectiveness of the internal control system with regard to the risk models and the identification of the factors determining the value and the loss allowances, also by rechecking the calculations. To this end, we also evaluated the relevant IT systems and internal procedures. In addition to the audit by our IT specialists of the propriety of the IT systems affected and related interfaces to ensure the completeness and correctness of the data, the audit also included the audit of automatic controls for data entry and data processing.

The main focus of our audit was the evaluation of the methodical approach in the definition of risk categories of default probabilities and loss rates that are derived from historical data. We obtained an understanding of these calculations based on a risk-oriented selection of credit portfolios. We satisfied ourselves with regard to the appropriateness of significant risk parameters based on the results of a validation performed by Daimler Truck Financial Services and evaluated the adjustments of the parameters to the current market situation. In this connection, we audited the data supporting the validations on the basis of a conscious sample.

Our observations

The methodical approach, the procedures and the processes to calculate the loss allowances and the assumptions and risk parameters flowing into the measurement are appropriate.

Risks from EU antitrust proceedings

Please refer with regard to the accounting policies applied to the notes to the consolidated financial statements in Note 2 “Accounting estimates and management judgements”, Note 23 “Provisions for other risks”, Note 30 “Legal proceedings” and to the combined management report in the chapter entitled “Risk and opportunity report” in the section entitled “Legal and tax risks and opportunities”.

The risk for the consolidated financial statements

The Daimler Truck Group is exposed to a large number of damage claims in various countries in connection with EU antitrust proceedings. Hereby truck customers raise damage claims following the imposition of fines by the European Commission against Mercedes-Benz Group AG and other truck manufacturers in July 2016. The fine imposed against Mercedes-Benz Group AG amounted at the time to EUR 1.09 billion and was paid in full in 2016.

The risk for the consolidated financial statements is that the recording of any future damage claims in connection with EU antitrust proceedings against the Daimler Truck Group is not completely and properly measured.

Our audit approach
In order to audit the provision for damage claims in connection with EU antitrust proceedings against the Daimler Truck Group, we among other things questioned the Chairman of the Supervisory Board, the legal representatives and contact partners in the financial and legal areas. We furthermore obtained information from the attorneys acting for the Daimler Truck Group and evaluated the underlying documents.

The written assessment of the legal representatives was made available to us by the Company. As of the reporting date, evaluations of the assessment of the risks in connection with the antitrust proceedings against the Daimler Truck Group, which support the assessment of the risks by the legal representatives, were available from external attorneys.

Finally, we evaluated the appropriateness of the description of the aforementioned legal proceedings in the notes to the consolidated financial statements.

Our observations
The discretionary assessments and assumptions of the legal representatives are proper overall.

Other information
The legal representatives and the Supervisory Board are responsible for the other information. The other information comprises the following elements of the combined management report, the content of which we have not audited:

- The group sustainability statement, including the non-financial statement of the group, which is included in the section of the combined management report entitled “Sustainability at Daimler Truck”,
- the combined declaration of the Company and the Group on corporate management, which is included in the section “Corporate Governance” of the combined management report, and
- the disclosures included in the combined management report marked as extraneous to management reports and unaudited.

The other information also includes the remaining parts of the annual report. The other information does not comprise the consolidated financial statements, the audited disclosures in the combined management report and our related auditor’s report.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Legal Representatives and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report
The legal representatives are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e paragraph 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the legal representatives are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the legal representatives are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group`s position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the legal representatives are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group`s financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group´s position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor’s report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee, that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW) and in supplementary compliance with ISAs will always detect a material misstatement. 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 consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement or one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report 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 Group's internal control or of these arrangements and measures.

- Evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of estimates made by the legal representatives and related disclosures.

- Conclude on the appropriateness of the use by the legal representatives 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 Group`s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. 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 Group to cease to be able to continue as a going concern.

- Evaluate the presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the legal representatives in the combined management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the legal representatives as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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 deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless laws or other legal regulations preclude public disclosure of the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 paragraph 3a HGB

We have performed assurance work in accordance with Section 317 paragraph 3a HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the file that can be downloaded by the issuer from the electronic client portal with access protection "dtholdingag-2024-12-31-de.zip" (SHA256 hash value: 037ac9729379fee1e85599fc5056 2d7ef6b0f519e93e8cda55af9817cef972e9) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file and made available for publication purposes complies in all material respects with the requirements of Section 328 paragraph 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and of the combined management reports contained in the file and identified above in accordance with Section 317 paragraph 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in accordance with Section 317 paragraph 3a HGB (IDW PS 410 (06.2022) conducive to the under-standing of the report at an international level and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Quality Management Standard: Requirements for Quality Management in the Auditing Practice (IDW QMS 1 (09.2022).

The Company's legal representatives are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 paragraph 1 sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 paragraph 1 sentence 4 item 2 HGB.

In addition, the Company's legal representatives are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 paragraph 1 HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 paragraph 1 HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 paragraph 1 HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the consolidated financial statements at the Annual Shareholder's Meeting held on May 15, 2024. We were engaged by the Supervisory Board on July 10, 2024. We have been the auditor of the consolidated financial statements of Daimler Truck Holding AG without interruption since the financial year 2021.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (longform audit report).

Other matter – Use of the Auditor's Report

Our auditor´s report must always be read together with the audited consolidated financial statements and the audited group management report as well as the examined ESEF documents. The consolidated financial statements and group management report converted to the ESEF format – including the versions to be entered in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Marcus Rohrbach.

Stuttgart, March 13, 2025

KPMG AG Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Pritzer	Rohrbach
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the Group Sustainability Statement

To the Daimler Truck Holding AG, Stuttgart

We have conducted a limited assurance engagement on the Group Sustainability Statement, included in section “Sustainability at Daimler Truck” of the group management report, of Daimler Truck Holding AG, Stuttgart for the financial year from January 1 to December 31, 2024. The Group Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as Sections 315b and 315c of the HGB [Handelsgesetzbuch: German Commercial Code] for a consolidated non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Group Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section “Double Materiality Analysis” of the Group Sustainability Statement, or

- the disclosures in “EU-Taxonomy” the Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion
We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Statement”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Group Sustainability Statement
The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a Group Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in Preparing the Group Sustainability Statement
The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. Therefore, the executive directors have disclosed their interpretations of such wording and terms in particular in section EU-Taxonomy of the Group Sustainability Statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in section “General principles for preparing the Group Sustainability Statement” - “Sources of estimates and uncertainty of results” of the Group Sustainability Statement, the quantification of the non-financial performance indicators in particular in the areas CO_2e emissions, Circular Economy, Waste and Compensation are also subject to inherent uncertainties due to significant estimation uncertainty or significant outcome uncertainty.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Statement
Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company’s executive directors, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement

- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity’s control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity’s control, as both the entity’s executive directors t and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor
A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we, among other procedures:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement

- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement, and about the internal controls relating to this process

- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement

- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain

- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Statement

- conducted site visits

- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

Restriction of Use / Claus on General Engagement Terms
This assurance report is solely addressed to Daimler Truck Holding AG, Stuttgart.

The engagement, in the performance of which we have provided the services described above on behalf of Daimler Truck Holding AG, Stuttgart, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 (www.kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to EUR 4 Mio specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Stuttgart, March 13, 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Rohrbach	Beyer
Wirtschaftsprüfer	Wirschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Further Information

Publications for the 2024 financial year
In addition to this Annual Report, other documents such as Factbook, Capital Market Presentation and Remuneration Report for the 2024 financial year are available at www.daimlertruck.com/en.

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Our Code of Conduct
Only those who act responsibly will be successful in the long term. Our Daimler Truck Code of Conduct, our guideline to doing the right thing, provides us with guidance for our actions: The policy sets out clearly which rules apply to every single one of us and which principles we follow. In short, it helps us to make the right decisions.
www.daimlertruck.com/en/company/compliance/daimler-truck-code-of-conduct

Our brand websites

Trucks
- Freightliner
- Western Star
- Mercedes-Benz Trucks
- FUSO Trucks
- BharatBenz Trucks
- RIZON

Buses
- Thomas Built Buses
- Mercedes-Benz Buses
- FUSO Buses
- BharatBenz Buses
- Setra

Financial Services
- Financial Services

Daimler Truck AG
Freightliner
Western Star
Mercedes-Benz Trucks
FUSO
BharatBenz
Daimler Buses
RIZON
Thomas Built Buses
Financial Services

Daimler Truck AG
Freightliner
Western Star
Mercedes-Benz Trucks
FUSO
BharatBenz
RIZON
Thomas Built Buses
Daimler Truck Career

Daimler Truck AG
Freightliner
Western Star
FUSO
BharatBenz
RIZON
Daimler Buses

Daimler Truck AG
FUSO
BharatBenz
Thomas Built Buses

Daimler Truck AG

Forward-looking statements

This document contains forward-looking statements that reflect our current views about future events. The words “aim”, “ambition”, “anticipate”, “assume”, “believe”, “estimate”, “expect”, “intend”, “may”, “can”, “could”, “plan”, “project”, “should” and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, pandemics, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates, customs and foreign trade provisions; a shift in consumer preferences; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilise our production capacities; price increases for fuel or raw materials; disruption of production due to shortages of materials, labour strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimisation measures; the business outlook for companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending government investigations or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading “Risk and Opportunity Report” in this Annual Report. If any of these risks and uncertainties materializes, or if the assumptions underlying any of our forward-looking statements prove to be incorrect, the actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements since they are based solely on the circumstances at the date of publication.