

DAIMLER TRUCK



Sustainability Report 2021



TO KEEP TOMORROW'S WORLD MOVING

Our story begins 125 years ago, and it begins with many needs: There was cargo to be carried. There was a distance to be crossed. Our founders were the ones to find the solutions. They invented trucks and buses, and doing so, they contributed to society's progress and prosperity.

Today, our customers provide reliable, safe transportation worldwide. That's why we said proudly: we work for everyone who keeps the world moving. Accordingly, that makes us an important part of society. And it comes with a correspondingly great responsibility for us: to our employees, to our customers and to all of the people who are touched by our economic activities.

Our greatest responsibility is the increasing demand for transport of our society. People need transport – but they want it to be sustainable. So once again, we have needs to meet. We don't shy from that. We have the experience and the will to rethink, and to deliver solutions.

We are building the way forward – for all who keep tomorrow's world moving.



We improve.



We pioneer.



We learn.



We care.



We elevate.



We explore.



We trust.



We create.



We progress.



We pioneer.



WE ARE BUILDING THE WAY FORWARD.

We create.



We care.



We deliver.



We orchestrate.



We inspire.



We enable.



We invent.



We protect.



We produce.



We deliver.



We listen.



We aspire.





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Editorial note

Merely in the interest of better readability, we refrain from using gender-specific terms such as “female and male employees” in many places of this report. Even if the male form is used, all genders are meant.

- Reference to chapter/section of the report
- Additional information outside the report

Foreword

GRI 102-14

Dear readers,

This Sustainability Report is an important milestone for our company. This is our first report as an independent, listed company. Our independent status as Daimler Truck Holding AG offers us a unique business opportunity. At the same time, this comes with great responsibility: for our employees, for the environment and for society as a whole.

ESG is the framework we have chosen for our responsible activities. ESG stands for “Environment”, “Social” and “Governance”. We focus on these three topics. Over the past few years, we have already launched many initiatives under the umbrella of former Daimler AG, which, thanks to your work and commitment, have made a contribution to the subject areas. Find out in this report what we have achieved as Daimler Truck in 2021.

The biggest responsibility for us as a company is dealing with climate change. As Daimler Truck, we are strongly committed to the Paris Agreement on Climate Protection. As a leading manufacturer of commercial vehicles, it is our stated goal to bring sustainable and thus future-oriented transport solutions for the transport of people and goods to the market for our customers. This is clearly reflected in our “Leading sustainable transport” vision. From 2039, we want to sell exclusively



CO₂-neutral vehicles in North America, Europe and Japan – we already set ourselves this goal back in 2019. At the same time, we want to make our global production CO₂-neutral on the balance sheet. As we can make even more of a difference when we work with our suppliers, we want to involve them in our sustainability initiatives.

We also want to take responsibility for our society in other aspects: We are committed to the UN Guiding Principles on Business and Human Rights. We want to be a good employer. The health and safety of our employees is our top priority. For us, increasing the safety of our vehicles for all road users is a matter of course as a responsibly acting commercial vehicle manufacturer.

Current events such as the war in Ukraine demonstrate that we are willing to take on responsibility beyond our economic activities. Donations in cash and in kind, the provision of trucks and buses at no charge for aid deliveries as well as providing personnel for targeted aid measures for the people of Ukraine are just what we do as a company.

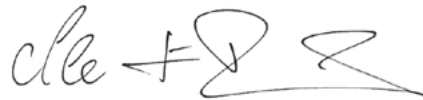
At Daimler Truck, we have also given ourselves strong, forward-looking and sustainable corporate governance – as you can see in this report.

Looking ahead, we will continue to work consistently on all these topics – and we will put great stress on two things in particular:

Firstly: Transparency and traceability. This is why we have structured this report along the lines of ESG topics. They will continue to be the frame of reference for classifying our activities and allowing them to be evaluated.

Secondly, actual changes. Sustainability is about tangible results. We want to make our independence as a company sustainable right from the start. We want to ensure that our economic activities are in harmony with our environment and our society.

Dear readers, we will keep you regularly informed about our progress and seek dialog with you.

A handwritten signature in black ink, appearing to read 'M. Daum', with a stylized flourish at the end.

Martin Daum

Chair of the Board of Management of
Daimler Truck Holding AG



Daimler Truck

Sustainable
corporate governance



Sustainable corporate governance

As a leading commercial vehicle manufacturer, our goal is to develop sustainable and thus future proof transportation solutions for the transport of goods and passengers 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 understand sustainability holistically as a component of our core business and our entrepreneurial behaviour.

Daimler Truck at a glance

GRI 102-1/-2/-5/-6/-10

1 Daimler Truck Group		2021
Employees* (Status December 31, 2021)		99,849
Production sites		41
Unit sales		455,445
Financial key figures (in EUR millions)		
Revenue		39,764
Research and development expenditure		1,574
Income taxes		-891
General administrative expenses**		1,635
Earnings per share (in €)		2.85

* This reflects the active workforce as a full-time equivalent
 ** 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

About 125 years ago, we founded the modern transportation industry with our trucks and buses. Today, we are one of the world's largest commercial vehicle manufacturers. We employ a workforce of around 100,000 at over 40 sites in North America, Europe, Asia and Latin America, as well as at numerous sales and service points in most countries around the world.

As a result of Daimler Trucks' spin-off from former Daimler AG (now Mercedes-Benz Group AG), 2021 was one of the most important years in the history for our company. The formation of an independent Daimler Truck Group as a result of the spin-off of Daimler Truck AG from former Daimler AG was secured by a successful listing on the stock exchange in December 2021.

In this context, the Board of Management of Daimler Truck AG, which since December 1, 2021 has had the same composition

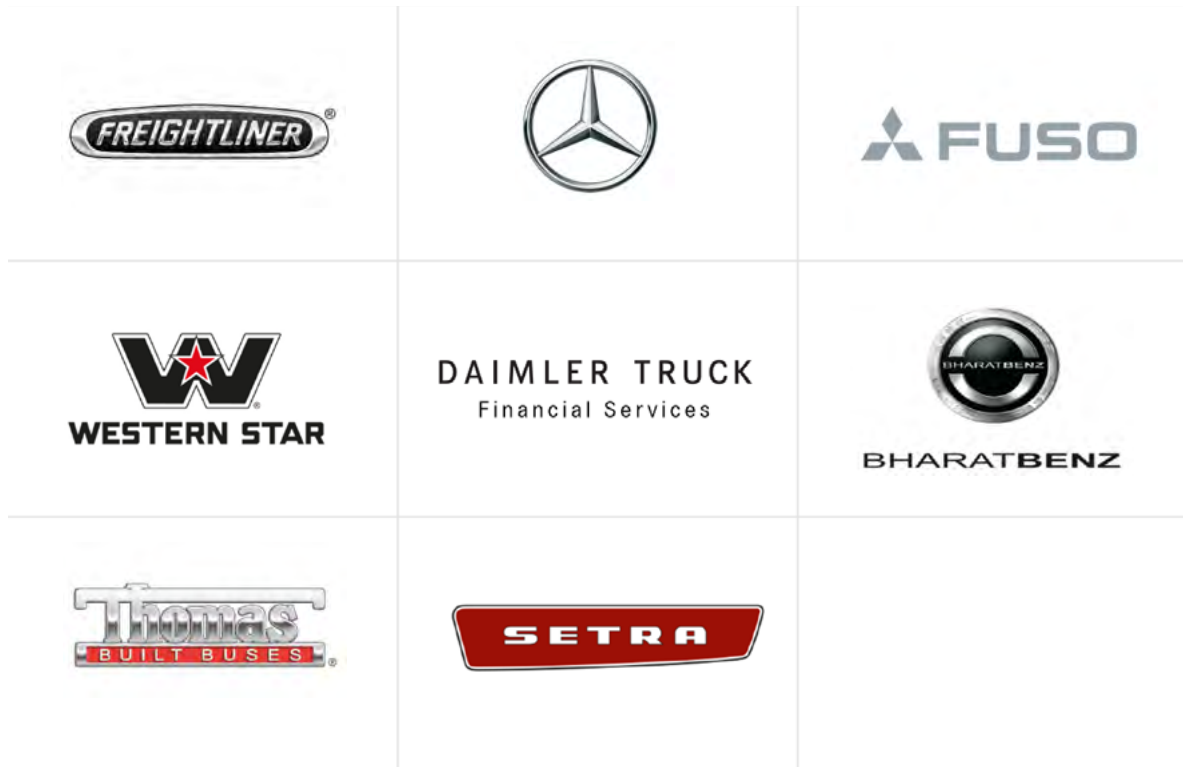
as the Board of Management of Daimler Truck Holding AG, has primarily driven forward the legal and operational separation from former parent company and has established independent governance for the management of a globally active company, without abandoning its focus on business operations and technical transformation.

Daimler Truck AG is the lead operating company for the commercial vehicle business. This is divided into four vehicle segments: Trucks North America, Mercedes-Benz, Trucks Asia and Daimler Buses.

Within our global network, we develop and produce trucks, buses and touring coaches marketed under the brand names BharatBenz, Freightliner, FUSO, Mercedes-Benz, Setra, Thomas Built Buses and Western Star.

[Annual Report Daimler Truck 2021](#)

2 | Our brands



Sustainable business strategy

GRI 102-15/-47 SDG 8

The sustainable business strategy of Daimler Truck builds on a foundation we laid together with former Daimler AG: Accordingly, sustainability aspects not only complement Daimler Truck's business strategy, they are also integral components of it.

As part of our sustainable business strategy, we pay attention to the economic, ecological and social impacts of our business activities – not only at our production locations, but along the entire upstream and downstream value chain. In doing so, we want to meet the high expectations and demands of our stakeholders – customers, employees, investors and business partners, NGOs and society at large.

In future, we will focus our actions even more strongly on the three aspects of environment, social and governance (ESG). We take recognized international frameworks, the requirements of our external and internal stakeholders, and global trends into consideration. From which Group-wide areas of action as well as responsibilities, business-specific objectives, processes and measures are based. Former Daimler AG defined six key areas of action: Climate protection and air quality, conservation of resources, sustainable urban mobility, road safety, data responsibility, and human rights.

In the reporting year, Daimler Truck focused on the following topics:

- **Climate protection:** Daimler Truck wants to make an important contribution to combating climate change and is focusing on shaping a CO₂-neutral future for goods and passenger transportation. CO₂-neutral transport on the roads by 2050 is our primary goal.
- **Road safety:** We pursue the vision of accident-free driving and are developing automated driving while taking social and ethical aspects into account.
- **Data responsibility:** Sustainable, data-based business models are our future. We use them to focus on the needs of our customers. We handle such data responsibly.
- **Human rights:** We have the clear ambition to ensure that human rights are upheld in all our companies and are also respected by our partners and suppliers alike. We only want to offer products that were produced without violations of human rights.

In order to implement these aspirations in the future, we rely on cooperation with trusted partners in business, politics and civil society. We also rely on the dedication and commitment of our employees, who are helping to shape this transformation.

Materiality analysis

GRI 102-31/-46/-47/-49 SDG 16

To determine which sustainability topics are relevant to Daimler Truck as part of former Daimler Group and for its stakeholders, a comprehensive materiality analysis was carried out in 2020 under the umbrella of former Daimler AG. The results of that analysis are also valid for the current reporting of Daimler Truck.

Thanks to the independent status of the company since 2021, we intend to carry out a new materiality analysis for Daimler Truck Group in 2022.

Procedure

In addition to the existing strategic areas of action of climate protection and air pollution control, resource conservation, sustainable urban mobility, road safety, data responsibility and human rights, other potentially relevant sustainability topics were explored in the 2020 materiality analysis.

This analysis consists of several components combined: a comprehensive competitor- and media analysis, an evaluation of regulatory requirements and capital market-relevant information, an SDG impact assessment, a broad-based online stakeholder survey, and interviews with experts.

We used two different perspectives in our analysis:

- **Inside out:** What positive and negative effects do our business activities have on the economy, the environment, and society?
- **Outside in:** To what extent do the sustainability issues affect our business development, business results, and the company situation?

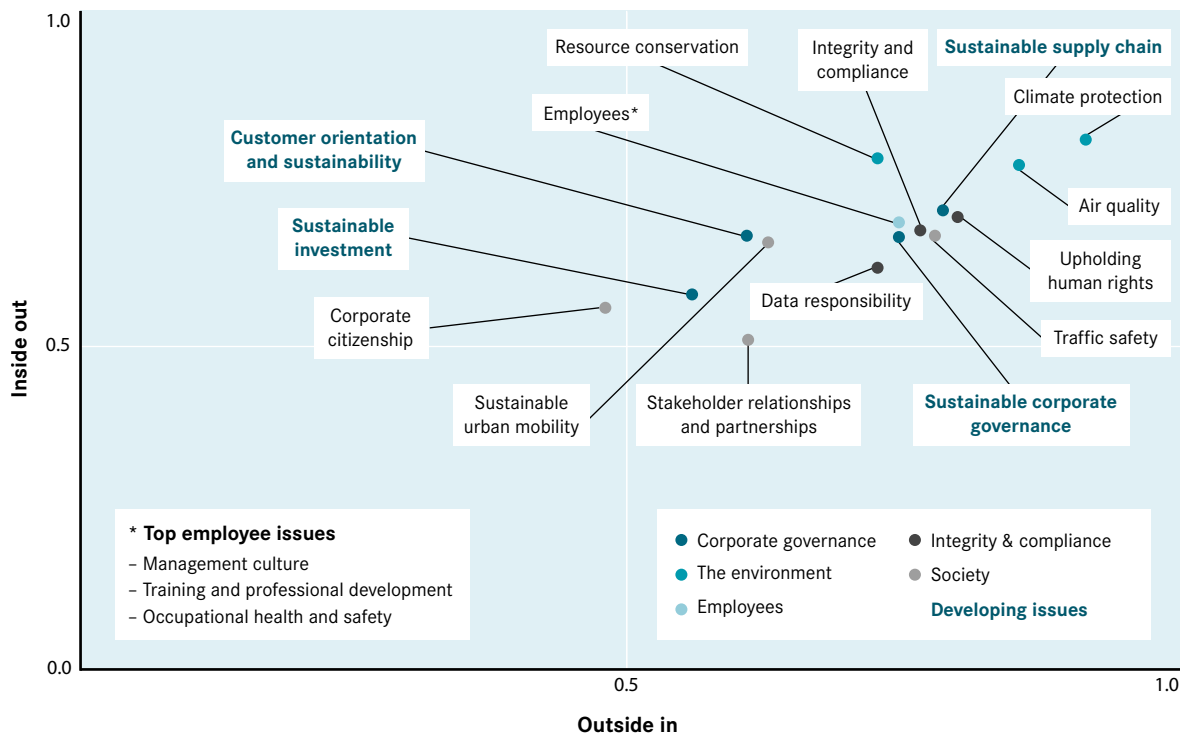
The materiality analysis complies with the reporting requirements of the [Global Reporting Initiative \(GRI\)](#) and the CSR Directive Implementation Act (CSR-RUG).

Materiality matrix

After the analysis, the issues were summarized in a materiality matrix: The issues of climate protection, air pollution control and resource conservation as well as sustainable supply chains and customer orientation are the most relevant.

We have examined the sustainability topics resulting from the analysis with regard to the course of business for Daimler Truck in order to define the topics for this sustainability report and to use this as a basis for the further development of our sustainable business strategy.

3 | Materiality matrix



Strategic integration of Sustainable Development Goals

GRI 102-15

An SDG impact analysis was carried out with TruCost as part of the 2020 materiality analysis in order to evaluate Daimler Truck's corporate performance as a part of former Daimler AG in terms of the United Nations' (UN) 17 Sustainable Development Goals (SDGs). We analyzed the positive and potentially negative effects our Company is having on the various goals. We have also identified those sustainability goals that bring the greatest opportunities and risks for us.

Our strategic goals in the Group-wide areas of action are guided, in particular, by SDGs 8 and 9, 11, 12 and 13, which we already focused on under the umbrella of former Daimler AG:



SDG 8 – Decent Work and Economic Growth:

We support the implementation of humane working conditions by developing and implementing a risk-based management approach to respecting and upholding human rights in our own units and in our supply chain. In addition, by manufacturing our products and by providing our services and a large procurement volume, we are creating attractive workplaces all over the world.



SDG 9 – Industry, Innovation and Infrastructure:

We bring battery and hydrogen-based mobility holistically to the road, rely on networked and digital services, comprehensive safety- and assistance systems as well as automated driving. In so doing, we are shaping the sustainable transportation of goods and sustainable passenger transport of the future. Through the benefits we expect from this process, for example in the areas of safety and climate protection, we are demonstrating the potential of digital innovations for our society.



SDG 11 – Sustainable Cities and Communities:

With offers such as fully electric city buses and trucks as well as integrated e-mobility systems, we promote sustainable transport and sustainable passenger transport in urban areas.



SDG 12 – Responsible Consumption and Production Patterns:

We are working to increase the efficiency of our vehicles and significantly reduce our use of raw materials. One of our tasks is to reinforce the closed material cycles for the primary raw materials that are needed for our electric vehicles. In this way we are laying the groundwork for sustainable production patterns.



SDG 13 – Climate Action:

Through our sustainable business strategy and the associated measures and goals for reducing the emissions of our vehicles, plants, and supply chain, we are making a concrete contribution to global climate protection.

4 | UN Sustainable Development Goals



Sustainable Corporate Management

GRI 102-18/-19/-20/-21/-22/-23/-31/-32 SDG 16

Daimler Truck takes on responsibility – in an economical, environmentally friendly, and socially acceptable manner. Sustainable corporate governance, leading compliance management standards and transparent reporting are central principles for Daimler Truck.

Management and Organizational Structures prior to the Spin-Off

The central management body for sustainability at the former Daimler AG, which was also responsible for Daimler Truck AG until the end of November 2021, was the Group Sustainability Board (GSB). It reported to the Board of Management of former Daimler AG. The GSB has a shared management structure, the Board of Management (BoM) member responsible for Integrity and Legal Affairs and the BoM member responsible for Development & Purchasing; also Mercedes-Benz Cars Chief Technology Officer) serving as Co-chairs. The Chairman of the Board of Management and other members of the Board with responsibility for finances, marketing & sales and Greater China were represented on the GSB. The operational work was performed by the Sustainability Competence Office (SCO) of former Daimler AG, which was staffed by representatives from the Integrity & Legal, Development & Procurement departments, Group Strategy and Group Communications.

In order to underscore our acceptance of responsibility for the environment and society, even before the spin-off from former

Daimler AG, we at Daimler Truck had already set up a future-oriented corporate governance. This covers all business areas and defines responsibilities for key topics of the sustainable business strategy.

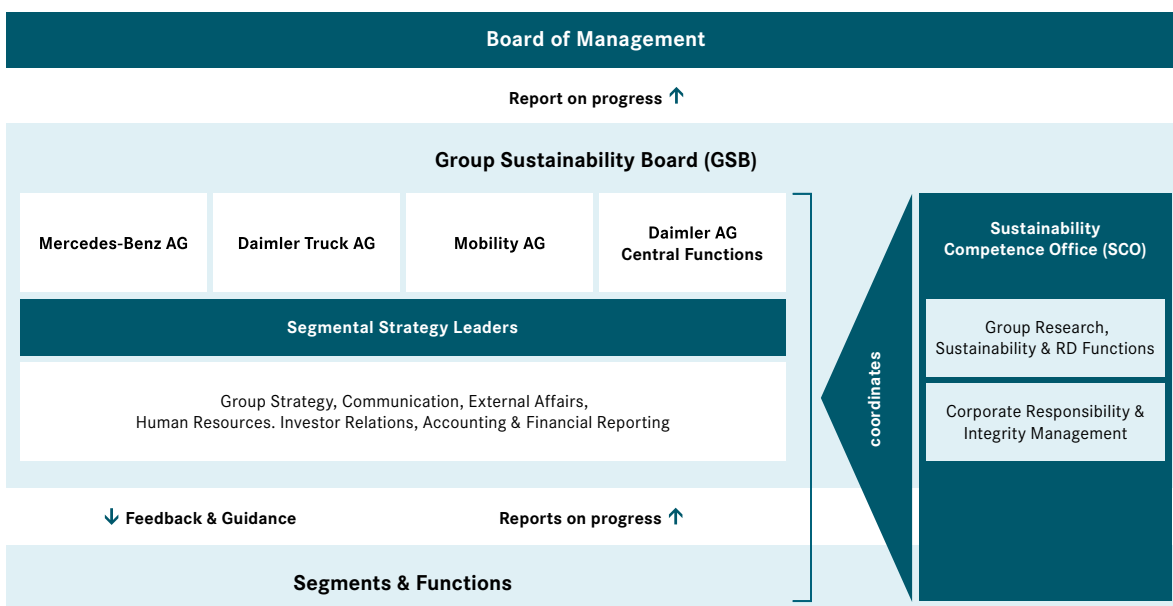
Management and organizational structures after the spin-off

Since the spin-off came into effect, the Supervisory Board of Daimler Truck Holding AG has been kept informed about sustainability issues. The Supervisory Board and the Audit Committee of Daimler Truck Holding AG will regularly deal with sustainability topics such as the legal requirements of the German Supply Chain Act and sustainability reporting at their meetings.

The management and organizational structures are designed to support our sustainability goals with sustainability governance. The central management- and decision-making body for all sustainability topics (Corporate Sustainability Board – CSB) will operate from the Board of Management levels of Daimler Truck Holding AG and Daimler Truck AG. Under the leadership of the Chairman of the Board of Management, the Corporate Sustainability Board will meet at least twice a year in the future.

After the spin-off from former Daimler AG, Daimler Truck has set up a Sustainability Steering Committee (SSC) for the implementation and further development of sustainability matters. This committee’s members will be senior management representatives from the segments, headed by representatives from various functional units – including Research &

5 | Governance structure before the spin-off from former Daimler AG



6 | Governance structure following the spin-off from former Daimler AG



Development, Production, Procurement, Corporate Strategy, Human Resources, Finance and Accounting, External Affairs and Corporate Communications. Since 2022, the SSC has been meeting at least once a quarter under the direction of the Chief Legal & Compliance Officer.

Processing the focus areas of the sustainable business strategy will be organized and structured by the respective responsible departments. Progress made and important decisions will be reported or presented to the Sustainability Steering Committee and the Corporate Sustainability Board.

A Sustainability management team within the Legal & Compliance department deals with the sustainability governance matters for Daimler Truck. Besides sustainability reporting, its responsibilities include sustainability topics for the sustainable strategy, human rights compliance and stakeholder management.

Risk and opportunity management

GRI 102-11/-15/-29/-30/-31 GRI 201-2

Daimler Truck is exposed to a great number of risks – those associated with the business activities of Daimler Truck Holding AG and its subsidiaries (in particular Daimler Tuck AG), and risks arising from external factors. At Daimler Truck risk is understood as the danger that events, developments or actions will prevent the Group or one of its business units from achieving its targets. This includes financial and non-financial risks.

At the same time, it is important to identify opportunities in order to safeguard and enhance the competitiveness of Daimler Truck. An opportunity is understood as the possibility due to events, developments or actions of safeguarding or surpassing the planned targets of the Group or of a segment.

Management and organization

The task of the segments is to recognize and manage business risks and opportunities at an early stage. As part of the strategy process, they also identify risks associated with the Group’s planned long-term development and opportunities for continuous profitable growth. The results are incorporated into decision-making processes.

Management- and control systems, which are combined within a risk and opportunity management system, are used in order to identify business risks and opportunities at an early stage and to assess and manage them rigorously. Opportunities and risks are not offset.

Risk and opportunity management is an integral part of the Group-wide planning, management and reporting process. It is intended to support the achievement of the company’s goals in a sustainable manner and to raise awareness of risks in the company.

As part of the planning process, risks and opportunities are tracked with an observation horizon of up to five years. The segments pass along the reporting information to the Board of Management and the Supervisory Board as well as the corporate risk management unit. 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. Within the context of opportunity management, measures are to be taken with which opportunities can be seized, improved and – fully or partially – realized.

The Group Risk Management Committee (GRMC) is responsible for ensuring continuous improvement and evaluating the efficiency and effectiveness of the risk and opportunity management system. The GRMC is composed of representatives of the Accounting & Result Management, Legal and Compliance department, Group Security, Investor Relations and M&A as well as the CFOs of the segments of Daimler Truck Holding AG and is managed by the members of the Board of Management of Daimler Truck Holding AG responsible for the Finance & Controlling departments. Internal Audit brings with it significant findings regarding the internal control and risk management system.

ESG-related risks and opportunities

Sustainability aspects have been integrated into the Group-wide risk and opportunity management process at Daimler Truck. Sustainability-related risks and opportunities are understood to mean matters that affect the three divisions E, S and G and whose occurrence have an actual or potential impact on the earnings, financial position, asset situation, and reputation of Daimler Truck.

Circumstances categorized as environmental issues include by definition CO₂ emissions or extreme weather events. Labor law standards, product safety and product liability, and suppliers' compliance with labor law standards are examples of circumstances categorized as social issues. The area of corporate governance is concerned with matters such as honesty in tax affairs, measures taken to prevent corruption, and ensuring data protection.

The ESG-related risks and opportunities that are linked to our own business activities and the products and services of Daimler Truck and that could very probably have serious negative impact on the non-financial aspects with regard to the CSR-RUG can be found in the overall assessment of the risk and opportunity situation in the Annual Report. There was no occurrence of serious non-financial risks in the year under review.

[➤ Risk and Opportunities Report, AR 2021](#)

In addition, legal risks or violations of social norms by partners and suppliers can have a negative impact on the reputation of Daimler Truck, on the environment, and on employees at partner and supplier companies. 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.

Tax obligations

GRI 103-1/-2/-3 **GRI 207-1/-2/-3**

Daimler Truck sees itself as a responsible company that strives to comply with its worldwide tax obligations. In this context, we want to live up to our corporate values and to our social and ethical responsibility.

As part of the corporate tax strategy, we pursue the following principles in particular:

- Through our actions, we want to ensure that the tax obligations of Group's companies are met and integrity standards are maintained through measures such as efficient, high-quality and reliable expertise, processes, systems, methods and controls.
- We live an active risk management for the Group and its operational employees through an appropriate Tax Compliance Management System (Tax CMS).

- In line with the fundamental principle of being a good corporate tax citizen, we pursue legal, active and non-aggressive tax planning based on economic reasons (tax follows business). This means that we, as a company, comply with our responsibility as a taxpayer. We also strive to work cooperatively, transparently, and constructively with the tax authorities. In the process, we maintain our legal standpoints and defend our interests wherever we believe such actions are appropriate and legitimate.

The Group's tax strategy defines the limits of our actions, and this strategy is further specified and implemented by means of organizational and content-related policies, provisions, and instructions.

The tax policies regulate the responsibilities, tasks and duties of the persons entrusted with tax matters at Daimler Truck. In addition, they provide concrete implementation guidelines for legal compliance, which enhances our employees' awareness of tax-related issues. In accordance with the Group's Code of Conduct, intentional violations of external and/or internal tax requirements must be reported and followed up. The same applies to any failure to make corrections to incorrectly processed transactions in line with our internally valid rule violation policies.

In order to ensure tax compliance throughout the group, former Daimler AG put in place a Tax Compliance Management System (Tax CMS), which is also applicable for Daimler Truck. The Tax CMS is a distinct subsection of our general Compliance Management System and it has continued as such at Daimler Truck since the spin-off.

Tax risk management is also part of the Tax CMS. Its function is to monitor and check whether tax obligations are met. This risk management system, which is consistent across the Group, serves to identify and reduce tax risks within Daimler Truck and associated personal risks of the employees acting on behalf of the Group. It comprises numerous measures – for example, ongoing monitoring or integration of tax risks in the internal control system and in the Group-wide risk management process in accordance with the risk management policy. No significant violations of these regulations regarding the tax laws became known to us in the year under review.



Compliance

GRI 103-1/-2/-3 SDG 16

We are convinced that only those who act ethically and legally responsibly will remain successful in the long term. Integrity and compliance with rules therefore assume a high priority at Daimler Truck.

Corporate culture of integrity

GRI 102-16/-17

New business divisions and innovative technologies raise unusual questions – both ethical and legal. In addition, the COVID-19 pandemic has led to profound changes around the world. In such times of change and uncertainty, value-based action matters more than ever.

With the integrity activities under the umbrella of former Daimler AG, Daimler Truck pursued the following primary objectives:

- Knowledge of and compliance with the Integrity Code
- All employees and managers shall act responsibly and with integrity
- Exchange and dialogue on current integrity priorities and risks of non-integrity

Integrity is a core element of our corporate culture. To us, this does not only mean complying with applicable legislation and regulations. We also base our actions on common principles developed by former Daimler AG. These include, in particular, fairness, responsibility, respect, openness and transparency.

Daimler Truck is guided by the ten principles of the United Nations Global Compact as a foundation for its business activities. The internal principles and policies of Daimler Truck are based on this international reference framework and other international principles. These include the key labor standards of the International Labor Organization (ILO), the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Our Group-wide Integrity Code, which we adopted from former Daimler AG following the spin-off, serves as a common benchmark: It sets the guidelines for our actions and helps us make the right decisions – because acting with integrity is especially important in situations where there are no clear guidelines or where these can be interpreted differently.

Our Integrity Code has binding effect on all employees of the controlled Group companies of Daimler Truck Holding AG. Under the umbrella of former Daimler AG, employees from various corporate units, globally contributed to its compilation. The Integrity Code is available in ten languages and includes regulations on corruption prevention, observation of human rights, data handling, product safety and compliance with technical regulations. The employees of Daimler Truck can access our Integrity Code in the uniform policy database and on the intranet with all important information, such as FAQs, points of contact and contact persons.

We have also formulated specific requirements for our managers in the Integrity Code: We expect them in particular to serve as role models through ethical behavior and thus to offer guidance to our employees.

In addition, the employees of Daimler Truck, also after the spin-off from former Daimler AG, have access to a worldwide network of local contacts for integrity, compliance and legal issues. It evaluates the requests of our employees and, where necessary, initiates appropriate action.

Our employees in the head office and in the controlled companies of the Daimler Truck Group regularly complete mandatory web-based training on the integrity Code. Managers are role models and therefore take on a special role with regard to integrity, compliance and legal affairs. To provide them with support, the training program also includes a special mandatory management module.

Internal information, communication and training measures

Compliance Management

GRI 103-1

Through our Compliance Management System (CMS) we at Daimler Truck aim to promote compliance with laws and policies at our company and to prevent misconduct. The measures needed for this are defined by our compliance and legal organizations in a process that also takes the Company's business requirements into account in an appropriate manner.

The CMS of Daimler Truck comprises the basic principles and measures that ensure compliant behavior throughout the Company. It is based on national and international standards and is applied on a global scale at Daimler Truck. The CMS consists of seven elements that build on one another.

Compliance values and objectives

We want to avoid potential risks that may arise from unethical conduct, thus contributing to the long-term success of the Company.

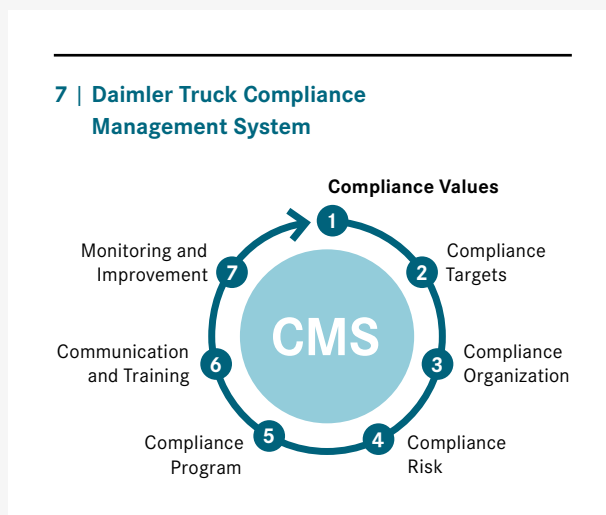
Our compliance activities focus on

- complying with anti-corruption regulations,
- maintenance and promotion of fair competition,
- compliance of our products with technical regulatory stipulations,
- respect for and the protection of human rights,
- adherence to data protection laws,
- compliance with sanctions and
- prevention of money laundering.

Compliance organization

GRI 103-2/-3

The compliance organization of the Daimler Truck Group is organized regionally and along the functions. In this way, it can provide effective support – for example, through guidelines and recommendations. Functional or regional contacts are available for this purpose. In addition, a global network of local contact persons makes sure that our compliance standards are met with. The network supports the management of the Group companies in implementing our compliance program locally.



In addition, the Compliance Board of the Daimler Truck Group manages cross-segmental compliance issues and monitors whether our compliance measures are effective. The Board has the task of responding at an early stage to changes in business models and in the business environment, picking up on regulatory developments and continuously developing the CMS. The Compliance Board is composed of representatives of the Compliance and Legal departments, meets regularly and is chaired by the Chief Legal & Compliance Officer.

In the reporting period and up to the spin-off, the Chief Compliance Officer and Vice President Legal Product & Technology, as well as the Vice President & Group General Counsel, reported directly to the Board of Management Member for Integrity & Legal Affairs, and also to the Audit Committee of the Supervisory Board of former Daimler AG. Reports were also submitted to the Board of Management of former Daimler AG – among other things on the status of the CMS, its further development, and the Business Practices Office (BPO) whistleblower system.

In addition, the Vice President & Group General Counsel of former Daimler AG reported regularly to the Antitrust Steering Committee and the Group Risk Management Committee within former Daimler AG. Under the umbrella of former Daimler AG, the Chief Compliance Officer, as well as the Vice President Legal Product & Technology, reported to the Group Risk Management Committee.

Following the spin-off in December 2021, at Daimler Truck, the Chief Legal & Compliance Officer will regularly report to the Board of Management of Daimler Truck Holding AG and of Daimler Truck AG, to the Audit Committee of the Supervisory Board, and to the Group Risk Management Committee. From the Company's perspective, Independence from the business divisions is assured by the direct reporting line to Legal & Compliance department and to the Chairman of the Board of Management, who is not operationally active. It is not reported to the CEOs of the business divisions.

Compliance risks

GRI 103-2/-3

Former Daimler AG systematically examined and evaluated the Group companies and central functions annually in order to minimize compliance risks. The units of today's Daimler Truck AG were included in this analysis as Group components. In this respect, for example, use was made of centrally available information on the Group companies – including on revenues, business models and relationships with business partners. Where required, further locally collected information was added. The findings of the analysis are reported to the Board of Management and Supervisory Board committees and form the basis of our compliance risk management. The processes of compliance risk management were adopted by Daimler Truck AG after the spin-off and will be adapted to its requirements and further developed in the future.

Compliance program

GRI 103-2/-3

Daimler Truck's compliance program comprises principles and measures to minimize compliance risks and counter violations of laws and regulations. The individual measures will be derived from the findings of our systematic compliance risk analysis. Our focus here includes the following key aspects: Consistent follow-up of indications of misconduct, formulation of clear requirements for the conduct of our business partners and a continuous raising of awareness of compliance matters. We describe these points in more detail below.

Reporting of rule violations with the BPO whistleblower system

GRI 102-17/-34 GRI 103-3 GRI 207-2

The Business Practices Offices whistleblower system, which was developed under the umbrella of former Daimler AG, and also applies to Daimler Truck, enables Daimler Truck employees worldwide, as well as business partners and third parties, to report misconduct. Information can be submitted by email, post or by using a reporting form. In addition, external toll-free hotlines are available in Brazil, Japan, South Africa and the United States. Reports can also be submitted anonymously if local laws permit this. In Germany, a neutral external intermediary is available for whistleblowers as an additional contact point.

Reports to the BPO whistleblower system alert us to potential risks for the Group and the employees. This can prevent damage. A Group policy applicable worldwide, which also applies to Daimler Truck following the spin-off from former Daimler AG, governs the BPO procedure and the corresponding responsibilities. Its aim is to ensure a fair and transparent procedure that takes both the principle of proportionality for the person concerned and the protection of the whistleblower into account. The policy also serves as the standard by which we at Daimler Truck judge breaches of regulations and decide on consequences.

If, after an initial risk-based assessment, a notification is classified as a violation of the rules with a low risk for the Company, the BPO transfers the case to the responsible department – for example, Human Resources, Corporate Security, or Corporate Data Privacy. The relevant department follows up on the notification and clarifies the case under its own responsibility. Misconduct with a low risk for the Company include, for example, theft, embezzlement or personal enrichment with a value of less than €100,000 – provided that they do not fall into the category of corruption.

If the BPO classifies a notification as a high-risk breach of regulations, after a risk-based initial assessment, it then refers the case to an investigative unit. The BPO provides support for the subsequent investigation until the case is closed. Examples of high-risk rule violations include offenses related to corruption, breaches of antitrust law, and violations of anti-money laundering regulations, as well as violations of binding technical provisions or violations in connection with environmental regulations. Cases of sexual harassment, human rights violations, discrimination or racism also belong in this category.

In an effort to constantly increase trust in our whistleblower system and make it even better known to our employees, we use a variety of communication measures. Under the umbrella of former Daimler AG, for example, information material was released, including country-specific info-cards, pocket guides, and an explanatory film in ten languages. They are also applicable for Daimler Truck. Under the umbrella of former Daimler AG, employees were informed about the BPO in various dialog-based events. In the year under review, employees were also informed regularly about the type and number of reported breaches under the umbrella of former Daimler AG.

In the 2021 reporting year, 21 major risk cases were newly created for Daimler Truck using the BPO whistleblower system. In 2021, a total of five cases as were closed (partially) with merit, in which three people were involved (in two of the five cases it was not possible to draw conclusions about the conduct of individual persons). In these cases, a specific initial suspicion had been confirmed. This included one case in the “theft over €100,000” category, one case in the “technical compliance” category and one case in the “unlawful enrichment over €100,000” category. There were no cases in which allegations relating to inappropriate conduct by employees towards third parties were confirmed. One case was in the category “Damage over €100,000”. Another case was in the “Other high risks” category. With regard to those cases that are closed “with merit,” the Company decides on appropriate response measures in line with the principles of proportionality and fairness. Personnel measures in the 2021 reporting year included reprimands, as well as one extraordinary dismissal.

Sales partners and suppliers acting with integrity

Daimler Truck not only expects its employees to comply with rules and legislation, it also sets clear requirements for compliance for its business partners. Ethically correct and compliant conduct is a prerequisite for all trust-based cooperation. We formulated what we expect from our sales partners and suppliers in detail in the Business Partner Standards, which were revised in the year under review under the umbrella of former Daimler AG, and which will also be applied to and further developed at Daimler Truck.

When selecting our direct business partners, we pay attention that they comply with the law and adhere to ethical principles. We continuously review this as part of a globally standardized and risk-based process (sales business partner due diligence process). In the year under review, we audited all new sales partners of former Daimler AG. As part of an ongoing monitoring process, we have also audited all existing sales partners. Our continuous monitoring in this area is designed to ensure that we can identify possible integrity violations by our sales partners. In addition, Compliance and Procurement departments are steadily developing our globally uniform and risk-based procedures for selecting and collaborating with suppliers (supplier due diligence). If a partner of Daimler Truck violates any of our standards, we reserve the right to terminate the cooperation or selection process.

We provide our Daimler Truck business partners with Business Partner Standards, which were adopted from former Daimler AG following the spin-off. Based on these standards and our Integrity Code, we provide our business partners with a specifically developed compliance awareness module. The module raises awareness of current requirements such as corruption prevention, antitrust law, product compliance and the protection of human rights. This allows us to offer our suppliers and sales partners assistance in dealing with potential compliance risks.

Supply chain responsibility

Internal information, communication and training measures

GRI 102-27 **GRI 103-2/-3**

Based on the Integrity Code, Daimler Truck offers a comprehensive range of training courses on all compliance topics.

The need for the training offering was regularly determined, adjustments and enhancements were made, and evaluations were carried out. As part of former Daimler AG, the training content and topics also applied to Daimler Truck and will be continued and further developed in the future.

The contents and topics of the training courses are tailored to the roles and functions of the respective target group. A web-based and target group-oriented training program consisting of various mandatory modules is available for all employees in administrative areas. Employees from production and production-related areas can voluntarily take part in the training program. The training modules are automatically assigned when an employee is hired, promoted or transferred to a function that involves an increased risk. Thanks to our web-based Learning Management System, training measures are available around the globe. We are supplementing our web-based training program with face-to-face training, some of which we provided in digital format in 2021.

We also offer information and qualification measures to individuals who perform supervisory and management functions. As part of an onboarding program, we inform new members of the Supervisory Board about legal and compliance issues as well as the Compliance Management System, for example.

New members of the executive management of Group companies are given a compact overview of key aspects of corporate governance via the Corporate Governance Navigator. This module provides information about tasks and responsibilities, contact partners, and points of contact that deal with core topics addressed by the Legal & Compliance Organization and adjacent units. The module thus supports such executives in their new role.

 [Tables: Compliance training programs](#)

Monitoring and improvement

GRI 103-2/-3

Daimler Truck continues to review processes and measures of its CMS and analyzes whether they are appropriate and effective. To this end, we will make use of information on the Group companies and other locally collected information. We also regularly monitor our processes using performance indicators such as individual process duration or quality. To determine these indicators, we check for, among other things, compliance with formal requirements and the completeness of the content. We also take into account the knowledge gained through both internal and independent, external assessments.

Accounting firm KPMG audited the CMS of former Daimler AG for anticorruption, antitrust and technical compliance in accordance with Auditing Standard 980 of the German Institute of Certified Public Accountants. The audits were geared to appropriateness, implementation and effectiveness, and were successfully completed for former Daimler AG, for CMS Anticorruption in 2019, for technical CMS with a focus on emissions relevance in 2020, and for CMS Antitrust in 2021 as a re-audit after the initial audit of 2016. In 2019, the design of the Data Compliance Management System was also audited. Selected units of the Daimler Truck AG also participated in the decentralized effectiveness audit.

If required by changing risks or new legal requirements, we adapt our processes and measures in the CMS. The Group companies implement the respective improvement measures on their own authority. In addition, they regularly review the effectiveness of the local measures and inform the responsible management bodies on an ongoing basis of the results of the monitoring.

Priorities of compliance management

Value-based compliance is an indispensable part of our daily business activities and means that we comply with laws and regulations. We implement concrete measures and promote compliant conduct in the Company. Below we explain how we are pursuing our main objectives, what laws and policies provide us with orientation in this regard, and what actual measures we are implementing:

Fighting corruption

GRI 103-1/-2/-3 **GRI 205-1**

Daimler Truck is committed to fighting corruption – because it harms fair competition, the companies and our Group. In this context, our measures to prevent corruption go beyond compliance with national legislation: We also adhere to the rules of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997) and the United Nations Convention against Corruption (2003).

As a founding member of the United Nations Global Compact (UN Global Compact), former Daimler AG was actively involved in combating corruption – one of its ten principles of action – worldwide. Daimler Truck AG has also been a member of the UN Global Compact since April 2022 and will continue this commitment to fight corruption.

Our corruption prevention compliance program is based on our Group-wide CMS. An important element of this program is integrated risk assessment. When we assess possible risks, we take into account internal information, e.g. a unit's business model, as well as external information such as the Corruption Perception Index of Transparency International. We see increased corruption risks in the area of sales activities in high-risk countries as well as in our business relations with authorized dealers and general agents worldwide.

The results of the risk assessment serve as our basis for implementing targeted corruption prevention measures that are oriented toward the respective risk faced by the unit. These measures aim to prevent corruption in all of our business activities – for example, we take a critical look at our business partners and transactions and are especially careful in our interactions with government authorities and officials. In this way we want to avoid any appearance of corruption and bribery from the very start.

The management of the respective Group company is responsible for implementing the measures and monitoring their effectiveness. Management works closely with the specialist departments in the Legal & Compliance unit. Daimler Truck AG monitors the activities of the management of the respective Group company. In the Group companies, independent Local Compliance Officers support the responsible management in implementing our Corruption Prevention Compliance Program.

Daimler Truck regularly reviews the effectiveness of its measures and continuously develops its methods and processes. Moreover, we offer a variety of communication and training measures to make our employees worldwide aware of the importance of corruption prevention.

[Tables: Compliance training programs](#)

Promoting fair competition

GRI 103-1/-2/-3

Our Group-wide Antitrust Compliance Program is oriented to national and international standards for ensuring fair competition. It comprises a binding, globally valid Daimler Truck Group standard that defines how matters of antitrust law are to be assessed. It is based on the standards of the underlying European regulations and takes into account established legal practice at European antitrust authorities, as well as the rulings of European courts. In this way, we want to ensure a uniform level of compliance and advisory services in all countries.

With advisory services, guidelines and practical aids, we support our employees worldwide in recognizing critical situations under antitrust legislation and acting in compliance with rules. This is particularly important when employees deal with competitors, cooperate with dealers and general distributors, and participate in industry association work. Local legal and compliance consultants are also available to the worldwide business divisions, in addition to the central Daimler Truck AG Legal and Compliance department with its specialized consultants. They also ensure that our standards are consistently upheld.

The results of our annual compliance risk analysis serve as the basis for the formulation of measures that address antitrust risks. The responsibility for designing and implementing measures lies primarily with each Group company's management. They are also responsible for monitoring the effectiveness of the measures employed. As a result, management works closely with the Legal & Compliance division, which also provides information about how to implement compliance measures effectively. Within the framework of its Group management responsibilities, Daimler Truck Holding AG monitors the management activities of the respective Group company.

In particular, units that face a potentially higher risk must also systematically assess the appropriateness and effectiveness of locally implemented antitrust compliance measures on a regular basis. In addition, the Legal and Corporate Audit units under the umbrella of former Daimler AG carried out monitoring activities in our segments. These are being continued by Daimler Truck AG. As well as random audits, they also examine whether antitrust laws and internal standards are complied with. Our aim is to continuously improve the effectiveness of our antitrust compliance program and adapt it to global developments and new legal requirements. The associated methods and processes are being constantly refined and improved.

We make use of a variety of communication and training measures to make our employees aware of the importance of competition and antitrust laws and issues. Relevant digital training sessions took place in the year under review. During the course of the Group's spin-off, the focus was on contact with competitors. Managers and employees working in associations must also continuously enhance their knowledge with an annual training course.

[Table: Compliance training programs](#)

Ensuring compliance with technical and regulatory requirements

At Daimler Truck technical compliance is defined as the adherence to technical and regulatory requirements, standards and laws. In this respect, we take into consideration the fundamental objectives of the laws and regulations as well as internal development specifications and processes. Our objective is to identify risks within the product creation process – i.e., in product development and certification – at an early stage and to implement preventative measures. In order to achieve this, a technical Compliance Management System (tCMS) was established under the umbrella of former Daimler AG in our vehicle segments, which also applies to Daimler Truck. In this way, we want to ensure that at Daimler Truck we comply with all statutory and regulatory requirements across the entire product development and certification process. The tCMS defines specific values, principles, structures, and processes in order to provide our employees with guidance and orientation, especially with regard to challenging questions on how to interpret technical regulations.

[Table: Compliance training programs](#)

Daimler Truck had already begun before the spin-off in the year under review to expand activities within the tCMS along the entire product life cycle into a Product Compliance Management System (PCMS). In future, it will continue to develop this system as an independent business.

Responsible handling of data

GRI 103-1

Networking and digitalization have a high business relevance to future mobility.

However, the responsible handling of data involves more than data protection. Daimler Truck faces this responsibility with a holistic approach to data governance: This covers legal, cultural and organizational aspects. The key aims are the sustainable design of data-based business models and the responsible handling of data in the interests of our customers, business partners, and employees. To achieve these objectives, we have established a Group-wide data governance system.

Group-wide data governance structure

GRI 103-2

The Group-wide data governance system was originally developed in the Integrity & Legal executive division of former Daimler AG, and its main elements have been adopted by Daimler Truck. The Data Governance Committees are responsible for implementation in the business divisions of Daimler Truck. The Data and Analytics Boards are made up of cross-functional teams comprising managers who perform data-related tasks and representatives from the Legal & Compliance department. These teams meet regularly to promote the digital transformation in the business divisions based on the measures prioritized by the Board of Management. All the relevant specialist units coordinate their current data analysis projects within these committees and create the basis for the efficient and responsible use of data.

Each segment carries out the operational implementation of our strategic data responsibility goals. Consequently each segment at the Daimler Truck has launched a corresponding program for the creation of specific processes and systems that ensure the responsible use of data.

At Daimler Truck, the Group Data Protection Officer performs the tasks defined by law to comply with data protection regulations. With the Data Privacy & Data Compliance department under her management, she monitors compliance with data protection laws and our data protection policies. Her responsibilities also include handling data protection-related complaints and communicating with the regulatory authorities for data protection. It also carries out communication and training measures. It also advises those responsible and specialist departments on all data protection issues. It is independent and reports directly to the Chairman of the Board of Management of Daimler Truck Holding AG and Daimler Truck AG in its role as Group Data Protection Officer.

Our approach to the effective management of data protection also relies on local contact persons at our numerous sites and facilities around the world. These Local Compliance Officers or Local Compliance Responsibles help local management implement Data Compliance measures. The Data Privacy & Data Compliance department specifically prepares these local contacts for their tasks and supports them with training courses and consultation.

Tables: Compliance training programs

Commitment to data responsibility

From the previous data mission statement of former Daimler AG, we at Daimler Truck have developed a commitment to data responsibility that specifically addresses the requirements of our company.

In this way, we have defined a clear framework for action for Daimler Truck on how we handle data based on the three guiding principles of business potential, added value for the customer and responsible data use.

Global Data Protection and Information Policy

Daimler Truck's "Global Data and Information Policy" lays the foundation for responsible, legally compliant and ethical handling of information and data worldwide. It creates transparency with regard to responsibilities and roles in a data and information-based environment. In addition, the guideline defines objectives, principles and organizational structures and defines measures for the implementation of Data Compliance processes. The policy also includes global standards for data compliance that are designed to ensure that a uniform level of data protection exists worldwide throughout the whole Group. In this way Daimler Truck sets a binding standard, which is supplemented by the requirements of the EU Data Protection Directive and the applicable local data protection laws.

Data Compliance Management System

GRI 103-3

Our Data Compliance Management System of Daimler Truck supports the Group with the systematic planning, implementation, and continuous monitoring of measures to ensure compliance with the data protection requirements. It takes into account the existing applicable data-protection regulations. We also incorporate additional areas of the law that are relevant to data use into this system in order to identify and address possible risks.

The Data Compliance Management System, which was developed under the umbrella of former Daimler AG, is being continuously developed by Daimler Truck. An annual monitoring and reporting process helps us to investigate the extent to which the previously defined measures have been implemented and the associated goals have been reached.

The annual monitoring review of the Data Compliance Management System has shown that the design of the system is still appropriate and suitable for achieving our compliance objectives. There is no evidence that the implementation objectives of the Data Compliance Management System were not fully met in the year under review. In 2022, we also want to assess the effectiveness of the Data Compliance Management System.

Proof of data security by service providers

Before commissioning a service provider who processes personal data, it is necessary to check whether the Company can process the data received in compliance with legal requirements – especially those of the General Data Protection Regulation (GDPR). The decisive consideration is whether the service provider can demonstrate that it institutes suitable technical and organizational measures for ensuring data security.

Avoiding risks of digitalization

Cybercrime and malicious code bear risks that affect the availability, integrity and confidentiality of information and IT-supported resources. In the worst case scenario, it interrupts IT-supported business processes – despite extensive precautions. This can have a negative impact on the Company's results. In addition, the loss or misuse of sensitive data may under certain circumstances lead to a loss of reputation. In particular, more stringent regulatory requirements and international regulatory requirements some of which vary a great deal, such as the General Data Protection Regulation (GDPR) for example, may give rise to claims by third parties – and result in costly regulatory requirements and penalties with an impact on earnings.

It is essential for Daimler Truck and its wide-ranging business and production processes that information is available and can be exchanged in an up-to-date, complete and accurate way. Our internal framework for IT security is based on international standards and its protective measures also apply industry standards and good practice. New regulatory requirements for cyber security and cyber security management systems are taken into account in the further development of our processes and policies.

Secure IT systems and a reliable IT infrastructure are used to protect information. Cyber threats are also identified throughout the entire life cycle of the applications and IT systems and dealt with according to their seriousness. Daimler Truck places particular emphasis on risks that lead to business processes being interrupted due to IT system failures or data being lost or falsified. Advancing digitalization and networking of operational technology require special attention. This is why we are continuously refining and improving our technical and organizational security measures.

The requirements on confidentiality, integrity and availability of data are also growing. For this reason, Daimler Truck has implemented a wide range of measures to minimize the associated risks as early as possible and to limit possible damage. Emergency plans have been drawn up and our employees are regularly trained and made aware of them.

In a global Cyber Security Operations Center, we analyze specific threats and coordinate our countermeasures. The protection of products and services against the danger of falling prey to hacker attacks and cybercrime is under constant development. We also run cyber security programs to systematically reduce risks.

Thanks to the continuous implementation of countermeasures, we currently estimate the level of IT-related risks and the probability of occurrence of related incidents to be unchanged compared to the previous year. However, this assessment may change at any time due to geopolitical developments or other factors.

Responsible handling of data breaches

GRI 103-3

A central reporting process was established at former Daimler AG for all incidents relating to information security: the Information Security Incident Management Process. This will be continued at Daimler Truck following the spin-off and is available around the clock.

Employees and contractors are instructed to report all potential personal data breaches via this system.

During the year under review, a small number of cases were reported to the responsible regulatory authorities for data protection. The authorities did not take any measures against the Company in response.

In addition to the data protection incident management process, Daimler Truck has established a general whistleblower process which enables reporting of all potential compliance violations. It employs a fair and adequate approach to investigate reports on incidents that pose a high risk to the Company and its employees. The Data Privacy & Data Compliance department trains all Local Compliance Officers and Local Compliance Responsibles on how to proceed with potential data breaches. It takes into account both local and non-European data protection provisions and GDPR requirements.

[BPO whistleblower system](#)

The contact details of the Group Data Protection Officers are publicly available. For customers with data-protection related issues, the Corporate Data Protection Officer – and their team – are available around the clock as a point of contact. In the year under review, Daimler Truck did not have any cases in which data protection supervisory authorities carried out investigations following a customer complaint.

Money Laundering Prevention, Sanctions Compliance and Export Control

Money laundering and terrorist financing cause immense damage – to both society and business. Even an accusation of money laundering can damage the reputation of Daimler Truck and have financial consequences for us as well as for our shareholders and stakeholders. For this reason, we defined prevention and combating of money laundering as a central compliance goal in our Integrity Code under the umbrella of former Daimler AG.

Following the spin-off from former Daimler AG, Daimler Truck set up its own central department for matters such as money laundering and terrorist financing, sanctions compliance and export control. In addition to preventing and combating money laundering and terrorist financing, it is also responsible for the Group-wide sanctions compliance program and compliance with all applicable national and supranational export control regulations.

In order to prevent and combat money laundering, the relevant central department supports the Group Anti-Money Laundering Officer in all of their tasks: For example, it ensures compliance across divisions at Daimler Truck Holding AG and all of its Group companies involved in the distribution of goods and is responsible for Group-wide standards and processes pursuant to the German Money Laundering Act.

Apart from this, we put in place measures worldwide to prevent money laundering and financing of terrorism in all relevant business units while still under the umbrella of former Daimler AG, and these measures are recorded in binding rules and regulations and aids for implementation. These stipulate processes and measures that must be implemented in the event of suspicion in close cooperation between the business units and the relevant central department. In this way, we want to help combat money laundering, financing of terrorism, organized crime and other corporate crime.

The sanctions compliance program is valid for all Group companies. Among other things, it involves the systematic checking of applicable sanction lists. Business with people, companies, and organizations on these lists is potentially illegal and a punishable offense. As stipulated by law, we compare these lists with the data from customers, employees, strategic cooperation partners, and business partners from areas such as Sales and Procurement. In doing so, we take into account all applicable supranational and national sanctions lists such as those of the European Union, the United Kingdom (Office of Financial Sanctions Implementation (OFSI) and the USA (including the US Office of Foreign Office Control – OFAC; US Bureau of Industry and Security – BIS). We always observe all data protection requirements when doing so.

The Group-wide Export Control department, which is also housed within the central unit, ensures that all exports or shipments of export control-relevant goods initiated by Daimler Truck or controlled majority companies comply with all applicable national and supranational export control prohibitions and approval requirements, both through its rules and regulations applicable worldwide in the Daimler Truck Group and through its IT-supported export control management system. In this context, strict compliance with all national and supranational embargo regimes applicable in the cases in question is ensured throughout the Group.

Dealing with legal proceedings

GRI 206-1 **GRI 419-1**

We assess legal proceedings against the companies of Daimler Truck Group as being significant if they represent a particular financial and/or particular reputational risk. Information about significant legal proceedings against the companies of Daimler Truck is provided in the Annual Report 2021 and relevant quarterly reports. These reports also contain information on governmental information requests, inquiries, investigations, administrative orders and proceedings as well as litigation relating to environmental, capital markets, criminal, antitrust, and other laws and regulations.

[➤ Risk and Opportunities Report, AR 2021](#)

[➤ Q1 quarterly report 2022](#)

8 | Compliance training programs – web-based training courses

GRI 412-2

Basic Modules		These modules are automatically assigned to all of the active administrative employees (full- and part-time) at Mercedes-Benz Group AG and controlled Group companies.
Basic Module – Integrity@Work <i>(Key content: integrity and compliance as a competitive advantage, corruption prevention, protection of free competition, protection of personal data, human rights, tip-offs of rule violations)</i>	Number of participants	4,037
	thereof	
	Administration	3,913
	Management	124
Basic Module – Sustainability	Number of participants	3,519
	thereof	
	Administration	3,420
	Management	99
Management Modules		This module is automatically assigned to all of the managers at Mercedes-Benz Group AG and controlled Group companies.
Management Module – Integrity@Work	Number of participants	307
	thereof	
	Management	307
Expert Modules		These modules are automatically assigned to all of the active administrative employees (full- and part-time) at Mercedes-Benz Group AG and controlled Group companies.
Expert Module – Anti-Money Laundering	Number of participants	7,724
	thereof	
	Administration	6,786
	Management	938
Expert Module – Antitrust Overview	Number of participants	9,847
	thereof	
	Administration	6,140
	Management	3,707
Data	Number of participants	40,127
	thereof	
	Administration	34,844
	Management	5,283
Expert Module – EU General Data Protection Regulation	Number of participants	3,455
	thereof	
	Administration	1,118
	Management	2,337
Expert Module – Insider Law	Number of participants	914
	thereof	
	Administration	417
	Management	497
Expert Module – Integrity & Compliance@ Procurement	Number of participants	173
	thereof	
	Administration	164
	Management	9

8 | Compliance training programs – web-based

GRI 412-2

Expert Modules	These modules are automatically assigned to all of the active administrative employees (full- and part-time) at Daimler Truck AG and controlled Group companies.	
Expert Module – Intellectual Property	Number of participants	1,084
	thereof	
	Administration	1,008
	Management	76
Expert Module – Social Compliance	Number of participants	891
	thereof	
	Administration	67
	Management	824
Expert Module – Technical Compliance & Integrity@Trucks	Number of participants	729
	thereof	
	Administration	647
	Management	82
Expert Module – Technical Compliance & Integrity@Buses	Number of participants	84
	thereof	
	Administration	79
	Management	5

9 | Compliance training programs – face-to-face training courses^{*/**}

GRI 412-2

Number of participants

- Anti-Money Laundering	
- Antitrust	
- Corruption prevention (incl. General compliance topics)	
- Data Compliance	
- Sanctions Compliance	
- Technical Compliance	
Total	13,389

* Due to the covid pandemic onsite trainings were also being held webbased.

** Target group: Administration and management worldwide.



Partnerships with politics and society

SDG 17

Human beings can only overcome the major social and environmental challenges, such as climate change, by working together. Daimler Truck is making a contribution: We contribute our expertise to social dialog and work with representatives from politics and society to make our contribution to finding solutions.

Daimler Truck would like to be involved in political and public opinion-forming processes as a trustworthy and reliable discussion partner. In this respect, the overriding objective is to take on social responsibility and over the long term to reconcile corporate and social interests. Specifically, Daimler Truck's dialogs are about helping to shape sustainable solutions to societal challenges. The focus in the year under review was primarily on the following topics:

- Achieving climate targets and improving air quality
- Improving road safety
- Establishing standards for human rights due diligence
- Site-related issues
- Free and fair trade
- Contributing to the drafting of labor laws
- Sustainable energy systems (hydrogen)

Stakeholders under the spotlight

GRI 102-21/-29/-33/-40/-42/-43/-44

Daimler Truck looks at sustainability from different perspectives, and tries to identify and participate in new trends and share experiences. This is a matter of discussing controversial topics at an early stage and integrating any potential further main topics into our sustainable business strategy on a continuing basis.

This requires us to know our stakeholders and engage in dialog with them. We define stakeholders as individuals and organizations that have legal, financial, ethical or environmental requirements or expectations on Daimler Truck. Whether a person, organization or group is a stakeholder in our Company depends on how much they are influenced by our decisions or, vice versa, how much they can influence our decisions. Thus our primary stakeholders are our customers, employees, investors, and suppliers. We also regularly exchange information with civil society groups such as non-governmental organizations (NGOs). We also maintain contact with associations, trade unions, the media, analysts, municipalities, residents in the communities where we operate, and representatives of science and government.

In connection with specific occasions and projects, we address questions, concerns, criticism, and suggestions made by stakeholders and conduct an open-ended dialog with them. It's the only way we can identify what our common positions are so that we can initiate corresponding projects and measures. In general: We always want to communicate reliably and on the basis of facts with our stakeholders.

In the future, Daimler Truck will continue to place priority on a focused exchange with selected stakeholders. We keep abreast of the latest discussions and public discourse and the expectations associated with it by participating in both industry-specific and cross-industry networks and initiatives. We also evaluate studies and other scientific publications and conduct our own media analyses. This assists us in identifying developments and associated expectations beyond the dialog that we initiate.

Dialog with politics and society

GRI 103-1 **GRI 102-21/-33/-43/-44** **GRI 207-3**

We define political representation as the constant exchange with decision-makers. These include politicians, government and public officials and representatives of political interest groups, trade- and industry associations. Daimler Truck communicates with them on many levels – wherever we do business nationally and internationally. Listen to what they have to say, communicate our interests and concerns to them, and declare our willingness to assume social responsibility. Our activities for representing our political interests are always aligned with our most important positions as a company.

For example, the transformation of Daimler Truck and commercial vehicle production plays a particularly important role in the discussions. Daimler Truck has set a very ambitious target for itself: By 2039, we plan to offer only CO₂-neutral trucks, buses and coaches in driving operation on markets in Europe, Japan and USA and thus help reduce CO₂ emissions worldwide. Political framework conditions, a positive investment environment and financial support tools for new and innovative technologies are an important foundation for this ambitious goal.

Former Daimler AG already set out its own principles for political dialog and for the responsible representation of interests and, with involvement of the management, compiled them into a policy. These remain valid for Daimler Truck even after the spin-off from former Daimler AG. Among other things, we maintain political restraint, balance, and neutrality in our dealings with governments, political parties, members of parliament, and officials. We have also defined internal binding guidelines, which are set down in writing for example in the Daimler Truck Integrity Code.

Daimler Truck AG is listed in the EU transparency register as well as in the lobby register for representation of interests vis-a-vis the German Bundestag and the Federal Government.

The management approach with a constructive exchange between us and our stakeholders is effective when the overall result is positive and sustainable for the Company, and our products are accepted as part of the solution to the existing challenges.

Party donations and political contributions

GRI 415-1

Dealing with grants, making party donations and the approach to other instruments for the representation of political interests is also governed by our Group policy on lobbying political and party donations. Our employees can find this in the guideline database on the intranet.

We use various tools to ensure that the political representation of our interests complies with applicable regulations and ethical standards. In this respect, we are especially careful to observe antitrust requirements when working in industry associations and cooperating with other companies. The policies mentioned above also define how we intend to address risks in connection with the political representation of our interests. We also address these risks in compliance processes applicable throughout the Group.

Information related to our activities in the area of political representation of interests is received by our BPO whistleblower system.

[BPO whistleblower system](#)

Daimler Truck did not make any donations, either monetary or in kind, to political parties in any part of the world during the year under review. This decision was not based on current political or economic events.

Organization of political representation of our interests

GRI 103-2/-3

Our central coordinating body for political dialog at the national and international levels was the External Affairs and Public Policy (External Affairs – EA) unit of former Daimler AG in the year under review. The EA unit also shaped the relationships for the interests of Daimler Truck under the umbrella of former Daimler AG. Our aim is to provide content that has been coordinated throughout the Group for the political representation of our interests and to address political and social target groups in a coordinated manner. EA will ensure that the positions taken in the political representation of our interests are in line with the goals and content of a sustainable business strategy – including that of Daimler Truck – as well as with our policies and other public statements.

EA's tasks will continue at Daimler Truck AG. Employees of the controlled group companies of Daimler Truck who represent political interests and do not report to the EA unit must register with EA in accordance with the Group Policy on Lobbying.

Industry associations and initiatives

GRI 102-12/-13

In addition to direct interaction with political decision-makers and other stakeholders who are committed to sustainable development, former Daimler AG was involved in various industry associations, bodies, and sustainability initiatives. They include in particular the UN Global Compact and econsense. Daimler Truck has already entered into these memberships as an independent company and will also exchange ideas with representatives of civil society within various initiatives.

We are also involved in industrial associations – including as a member of the German Association of the Automotive Industry (VDA) and corresponding associations in other countries. Within the framework of these memberships, we participate in consultation processes regarding new legislation and share ideas and information with political decision-makers.

Industry associations assume a national political responsibility because they express the business interests of a variety of companies or sectors and serve as a point of contact for governments. We actively participate in association work in working gear groups that are relevant to our core business. We contribute our company-specific perspective and experience and help to advance the political discussion in a factual and qualified manner. In doing so, we always observe antitrust regulations and comply with legislation.

In the year under review, the focus of our association work was on issues such as air pollution control in German cities and the promotion of sustainable mobility. The effectiveness of our dialog and active cooperation is particularly important in association work when dealing with future laws: On the one hand, we can provide technical input to help shape the laws. On the other hand, this consequently allows us to deal with future regulations at an early stage and set the appropriate strategic course in the Company.

We are also actively participating in the development of innovative solutions by means of our know-how and our technology. We also maintain regular contact with representatives of society at large and other companies. We are also involved in other industry associations, committees and sustainability initiatives and contribute our expertise there – for example, to modernize legislation for batteries and charging infrastructure.

Event and dialog formats

Daimler Truck has held dialog and information events on current topics as part of its ongoing development of political advocacy. In dialog with citizens, politics, economy and NGOs, in this financial year, we discussed current topics and jointly worked with them to find answers to social and environmental questions. The focus was on sustainability, electric mobility, digitalization and urbanization, and the impact these issues have on society. As a responsible company and employer in many regions, Daimler Truck is interested in finding solutions to regional and supra-regional problems in partnership with other interest groups. For this purpose, we actively participate in event and dialog formats.

For example, the top-level meeting of the Baden-Württemberg Automotive Industry Strategy Dialog took place in October 2021: The aim of the meeting was to enable all institutions and companies involved in the strategy dialog to exchange ideas and discuss current challenges related to the transformation of commercial vehicle production. Daimler Truck also provided information about the current status of its electric offensive and the progress towards CO₂-neutral mobility. As part of the strategy dialog, Daimler Truck AG was also a co-signatory of the letter of intent for a pilot charging and hydrogen tank infrastructure project for long-haul trucks.

In addition to the strategy dialogue, we are also participating in the National Platform Future of Mobility of the German Federal Government and other forums. In addition, representatives of Daimler Truck participated in many rounds of discussions – for example, at the digital workshop on barriers to electromobility of the Federal Association of Energy and Water Management and at the event of the parliamentary group on electromobility on the topic of the European Green Deal: Challenges in Electromobility.

Even in the ongoing pandemic situation, a continuous exchange of information between external stakeholders and company representatives is very important to us: EA representatives in Berlin and Brussels have implemented virtual formats and discussed with representatives of the German Association for Goods Traffic Logistics and Disposal and Shell Germany how transport systems can be decoupled from the consumption of fossil fuels by means of innovative technologies.

Daimler Truck is also actively involved in the Commercial Vehicle Cluster, an initiative of CVC Nutzfahrzeug GmbH based in Kaiserslautern. Since March 2008, the cluster initiative has been organized as a GmbH in the form of a Public Private Partnership (PPP) of Daimler Truck AG, John Deere-Lanz Verwaltungs-GmbH, Grammer AG, IAV GmbH Ingenieurgesellschaft Auto und Verkehr, ITK Engineering GmbH and the state of Rhineland-Palatinate. The Commercial Vehicle Cluster is geared towards establishing south-western Germany and Rhineland-Palatinate in particular as the leading center of excellence for the commercial vehicle industry.

Daimler Truck also has a monthly podcast where it discusses relevant topics such as the future of transportation, sustainability, leadership and corporate ethics with external stakeholders. This podcast is available on the Daimler Truck website.

Social commitment and corporate citizenship

Mobility has always moved people. It stands for freedom, independence, and economic growth. However, mobility is not just transportation, as it also connects people and cultures all over the world – and thus contributes to the creation of a more open society.

Daimler Truck is also part of society as a company. We can only be successful if we operate in an environment where people can lead a good life as they see it. In particular a high level of education and a high degree of economic and social stability are crucial for this. That is why we are working together with our employees to build a sustainable society that will remain viable in the future. With this social commitment, we position ourselves as a responsible company and want to create a recognizable benefit and contribution to the common good.

In accordance with our sustainable business strategy, our social commitment primarily promotes projects and activities related to our core business – because this is where we can make the biggest contribution. An important part of our global social commitment consists of donations to charitable institutions and the sponsorship of social projects.

We also encourage our employees to get involved in socially beneficial projects, help improve the social environment in the communities where we operate, and initiate aid projects worldwide (corporate volunteering). In spite of the COVID-19 pandemic, our employees were able to engage in a wide range of social and environmental projects and make a contribution to society in compliance with the applicable safety and hygiene requirements.

Daimler Truck AG will continue to meet its commitment.

Donations and sponsorships

Throughout the Group, we make donations and sponsor projects in line with the criteria and standards of a donation and sponsorship policy. This Policy was adopted by Daimler Truck AG from former Daimler AG and will be adapted to and further developed for the company in 2022. It stipulates that all of the donations, sponsorships, and marketing partnerships have to comply with the applicable national and international laws, meet ethical standards, and match the Group's values. Irrespective of

whether cash or non-cash donations and services are involved – the contract award process has to be transparent in all cases. Compliance is also required with other Group policies, such as our Integrity Code as well. In addition, we take the UN Global Compact Principles as a guide for the implementation of our donations and sponsorships.

We create transparency by recording all of the Group's donations and sponsorships worldwide in a centralized database; this has been revamped in 2022 for Daimler Truck. We inform our employees on a regular basis about applicable policies and alert them to possible risks associated with donations and sponsorships.

In the year under review, we made donations to the German Red Cross and the Stiftung Technisches Hilfswerk (Technical Relief Agency) under the umbrella of former Daimler AG following the flood disaster in July. Germany's neighbors also had to contend with flooding: For example, aid organizations based in Belgium and the Netherlands were supported by the national companies. The money was used locally in the flood zones to provide people with the essentials and help with the reconstruction of the affected areas. In addition, we also gave time off to employees who were directly affected or who were involved with the German Federal Agency for Technical Relief or the voluntary fire brigade in the crisis areas. The company also provided vehicles, among other things.

Daimler Trucks Asia supported children and young people in Japan as part of the FUSO Kids initiative. FUSO Kids works with children's facilities, hospitals, local governments and other organizations. The aim of the initiative is to support disadvantaged children and young people through our involvement in various areas such as education and health. Due to the COVID-19 pandemic, many of the activities in 2021 were in the form of cash and in-kind donations.

Daimler Truck North America is also committed to a wide range of activities: The Company allocates a budget to each of its locations across North America to donate to a local charitable organization of their choice. The funds went into activities ranging from fighting hunger in Oregon to supporting school districts in North Carolina.

In the year under review, around €50 million was donated¹ to charitable institutions under the umbrella of former Daimler AG and invested in sponsorships for social projects. This amount does not include our own foundation activities and projects that we initiated. A total of around 1,740 projects were supported worldwide under the umbrella of former Daimler AG.

¹ This data includes Daimler Truck AG, Mercedes-Benz Group AG (former Daimler AG) and Mercedes-Benz AG. As a result of the spin-off of the Daimler commercial vehicle business from former Daimler Group and its becoming an independent company, the data contains some inconsistencies, as so-called mixed sites and units can not be adjusted on the balance sheet until the 2022 financial year.

Corporate Volunteering and other partnerships

GRI 203-1

Through Social Days, the Day of Caring or hands-on activities, we encourage our employees to get involved in social projects themselves. Below is a selection of examples of how and where our employees have been getting involved.

Following violent protests in South Africa in mid-2021, Daimler Trucks & Buses, Mercedes-Benz South Africa Limited and Mercedes-Benz Financial Services joined forces to help people in need. With a donation of over 1.5 million South African Rand (€87,729 as of October 25, 2021) financed food aid in the South African provinces of KwaZulu-Natal and Gauteng. In addition, their local staff helped distribute food packages to 3,000 families in need.

Another example of the commitment of our workforce is the ProCent initiative, which was launched under the umbrella of former Daimler AG. This initiative allows employees to donate the cent amounts of their monthly paychecks. These amounts will be doubled and added to a fund to support charitable projects. In 2021, the ProCent initiative celebrated its tenth anniversary. Since the launch of the initiative, around 1,600 projects were funded before the spin-off from former Daimler AG. Since then, the initiative has approved more than €11 million. The ProCent initiative will continue to be supported by Daimler Truck AG.

Employees propose charitable projects to receive funds from this fund. At a regional level, this included support for the Association for Social Psychiatry Reutlingen in 2021 to move premises and build a new nursery that offers people with mental illness valuable employment opportunities and contributes to the development of their career prospects. At an international level, ProCent donations were made through the Hosanna Institute of Sahel Germany, which were used to purchase accumulators to provide power to a maternity hospital in Niger.

COVID-19 pandemic

We conduct a wide variety of projects that support social development at our locations throughout the world. In view of the serious effects of the COVID-19 pandemic, since 2020 our local measures have focused on appropriate assistance. The national company Daimler India Commercial Vehicles based in Chennai, India, for example, donated numerous donations in kind and in cash to local aid and health facilities. In Germany, we supported the Stuttgart Citizens' Foundation as part of their well.Come.back campaign, among other organizations. Together, we created opportunities to express appreciation and recognition for staying power during the pandemic after the summer holidays, and to re-strengthen the social bond between students.



Environment



Environment

As a globally active company, we at Daimler Truck want to make a positive contribution to protecting the environment. Our commitment covers the areas of climate protection, air pollution control and resource conservation. We take into account our vehicles as well as the environmental impacts that occur throughout production and the supply chain.

Climate protection, air pollution control and resource conservation in our products

SDG 13

As well as the emissions of CO₂ and air pollutants during driving, our trucks and buses also has an impact on the environment with the use of the resources in the vehicles themselves. At Daimler Truck, we take all these aspects into account and are continuously working on optimizing our products.

Climate protection with regards to our products

GRI 103-1

At Daimler Truck, we are committed to the Paris Climate Agreement and strive to achieve the goal of putting CO₂-neutral transportation on the roads by 2050. About one fifth of all greenhouse gas emissions in Europe are produced as a result of the transport of people and goods on streets and roads. We are consciously taking action against this and make climate protection a key element of our business strategy. We regard it as our mission to make transportation CO₂-neutral worldwide through technical innovations. In this way, we aim to contribute to the decarbonization of the industry.

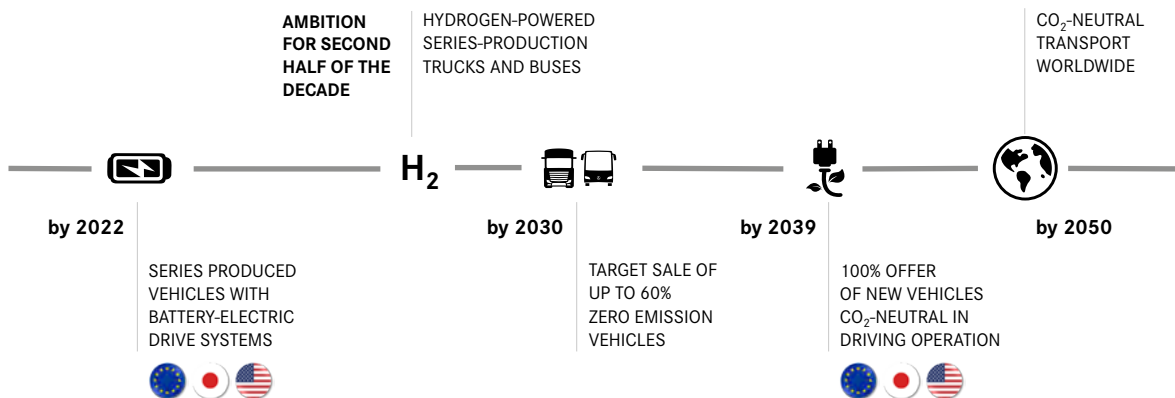
Legal requirements for CO₂ reduction in road traffic

GRI 103-1/-2/-3 SDG 11

EU legislation focuses on new vehicles when reducing CO₂ emissions in road traffic and sets out specific targets. For new heavy-duty trucks over 16 tons, it requires CO₂ emissions to be reduced by 15% by 2025 and by 30% by 2030 (benchmark 2019/2020). For this purpose, the EU Commission, together with manufacturers, scientists and other experts, has developed a uniform Europe-wide simulation program called VECTO (Vehicle Energy Consumption Calculation Tool). This also includes the relevant test and measurement procedures for CO₂ emissions and fuel consumption. The relevant data will be collected throughout Europe and will be made transparent. Daimler Truck has set out a technology roadmap to meet EU requirements and is consistently focusing on locally CO₂-neutral trucks and buses.



10 | On the way to CO₂-neutral transport



Organization and responsibilities

GRI 103-2/-3

At Daimler Truck, we pursue ambitious goals with our business strategy in the area of climate protection. We want to make a contribution to complying with the Paris Agreement. We have also set out measures we want to take to achieve these goals. We evaluate their effectiveness based on internal performance reviews: For this purpose, we carry out audits at a specialist unit level several times a year.

Management is responsible for setting and reviewing strategic targets, such as the reduction of our CO₂ emissions. It is integrated in this process via the Sustainability Steering Committee.

When developing the all-electric Mercedes-Benz truck, Daimler Truck focuses in particular on the aspect of customer co-creation. This means that product development includes collaborating with our truck customers. In this way we have been able to ensure that customer feedback on the electric truck was taken into account early in development of the Mercedes-Benz eActros and could be incorporated into development.

Moreover, when developing commercial vehicles with battery- and hydrogen-based drive system technology, Daimler Truck maintains a dialog with representatives of cities and with leading experts on the topics of urban and transportation development. This provides us with valuable impulses for new strategic initiatives. We also use the feedback from partners to review and improve our concepts.

Dual strategy: Powered by battery and hydrogen

GRI 305-5 | SDG 11

Daimler Truck is relying on two complementary technologies to supply energy to the drive in the decarbonization of transportation and passenger transport: batteries and hydrogen fuel cells. We are implementing this dual strategy consistently to achieve the goal of having CO₂-neutral goods transport and CO₂-neutral passenger transport on the roads by 2050. With this combination of technologies, we can offer our customers the best vehicle options in accordance with the application: The lighter the load and the shorter the distance, the sooner the battery will be used. The heavier the load and the longer the distance, the sooner the fuel cell becomes the better option.

Cellcentric is our joint venture with the Volvo Group, in which we are working on the series production of fuel cell systems. Its goal is the development serial development, production and marketing of such systems. The focus is on utilization in heavy-duty trucks, but the systems will also be offered for other applications. By joining forces of both companies, we can reduce our development costs and accelerate the time-to-market for fuel cell systems.

Truck fleet with batteries and hydrogen drives

Today, our vehicle portfolio already includes series-produced vehicles with battery-electric drives in the main sales regions of the EU30 (Europe, the United Kingdom, Switzerland and Norway), the United States and Japan. A truck with a hydrogen fuel cell is in test operation in Germany.

eActros electric truck

The battery-electric Mercedes-Benz eActros for heavy-duty distribution haulage is already completely electrified and CO₂-neutral locally. On 30 June 2021, Mercedes-Benz Truck celebrated the world premiere of the eActros; series production began in October 2021 at the Wörth am Rhein plant. The experts at Mercedes-Benz Trucks worked closely with our customers during product development. Ten prototypes of the eActros went into practical testing in Germany and other European countries as early as 2018 – allowing our developers to incorporate customer feedback early on. By the start of series production of the e-truck, the prototypes had covered over 500,000 km on public roads and underwent intensive testing. In the meantime, the first series production vehicles have been delivered to customers. The batteries of the eActros consist of either three (eActros 300) or four (eActros 400) batteries, meaning that each variant offers an installed capacity of 112 kWh² and a usable capacity of around 97 kWh³. The maximum capacity of approximately 448 kWh enables a range of up to 400 km⁴.

The electric eActros LongHaul truck

We are also preparing the eActros LongHaul for series production in 2024. This fully battery-powered long-haul truck is planned to offer a range of up to 500 km. The initial focus of deployment will be on regular energy-efficient journeys on designated routes.

eEconic – the fully-electric municipal service vehicle

The Mercedes-Benz eEconic low-floor battery-electric truck is intended for municipal use. The eEconic waste collection vehicle is intended to cover the great majority of the waste collection routes typical for the Econic series in single-shift operation without requiring recharging en-route. Battery-powered trucks are very well-suited for this application due to the short and planned routes of up to 100 km⁵ with a high proportion of stop-and-go vehicles. From 2022, the eEconic will be tested for its suitability for everyday use by selected customers of municipal waste disposal facilities. Customer feedback will be directly integrated into the series production of the eEconic. The eEconic is based on the eActros and will go into series production in the second half of 2022 at the Mercedes-Benz Wörth plant.

Battery-electric trucks

Daimler Truck's first fully battery-electric truck has been on the market and in the hands of customers since 2017: More than 300 of the light-duty FUSO eCanter trucks, initially produced in small batches, are now on the road in 16 countries and cities worldwide. As of November 2021, more than 40 vehicles were delivered in the United States, around 75 in Japan and more than 190 eCanter vehicles in Europe. The all-electric light truck was

also launched in Australia and New Zealand. Further deliveries will follow gradually. The FUSO eCanter has a range of over 100 km⁵ and is especially suited to local emission-free and quiet urban distribution. Over 4 million kms have been driven in total.

The medium-duty Freightliner eM2 and the heavy-duty Freightliner eCascadia are also currently undergoing intensive practical testing by customers in the United States. Series production of battery-electric trucks is scheduled to start in the second half of 2022.

Hydrogen-based GenH₂ truck

On the hydrogen side, the Mercedes-Benz GenH₂ Truck fuel cell prototype has been undergoing intensive testing since last year – both on the in-house test track and on public roads. The development objective is a range of up to 1,000 km and further use in long-haul transport. We are working towards a start of production of a corresponding series production vehicle in the second half of the decade.

Bus and touring coach fleet with batteries and hydrogen drives

E-mobility is a crucial factor for tomorrow's passenger transport. With this in mind, Daimler Buses wants to design bus mobility with electrified solutions that bring maximum benefits for customers and the environment.

All-electric Mercedes-Benz eCitaro

In the guise of the fully battery-electric Mercedes-Benz eCitaro, Daimler Buses has been offering a locally CO₂-neutral city bus for environmentally friendly local public transport in cities and metro areas since 2018. With this vehicle, we are making a contribution to a successful mobility transition in passenger transport.

The eCitaro is series-produced at the Mannheim site. The eCitaro is a flagship model of Daimler Buses: more than 600 eCitaros are already used by European customers every day. In 2021, almost one in two fully-electric city buses sold in Germany was produced by Daimler Buses. This bus can be ordered with up to twelve battery packs depending on its intended use. These city buses have a maximum range of around 170 km under typical operating conditions.

Range figures for all-electric city buses are often difficult to compare because reference values are missing and the figures are often calculated under ideal conditions. We can present data that is more practice-related by orienting ourselves according to the recognized SORT2 on-road test cycle. For the most realistic picture possible, we also include the consumption of auxiliary units such as air conditioning and heating.

² Nominal capacity of a new battery, based on internally defined framework conditions. This can vary depending on the application and ambient conditions.

³ Usable energy content for regular truck operation with new batteries. This is based on internally defined framework conditions and can vary depending on the application and environmental conditions.

⁴ The range was determined internally under optimum conditions, including with 4 battery packs after preconditioning in partially loaded distribution haulage without a trailer at an ambient temperature of 20°C.

⁵ The range specification is an estimate; the actual range achieved may be lower than the value determined due to individual vehicle use.



Daimler Buses is systematically continuing the development of the eCitaro's technology in order to make it more practical for regular-service local public transport. Since 2020, customers have also been able to buy the eCitaro as an articulated bus (eCitaro G) with seating for up to 145 passengers. The electric city bus has also been available with up to twelve lithium-ion battery packs since 2020; and with the next generation of this battery type since April 2021. With a total capacity of up to 396 kWh, the eCitaro as a city bus with lithium-ion batteries (NMC – Lithium Nickel Mangan Cobalt) currently has a range of around 200 km⁵. LMP solid-state batteries (lithium polymer batteries), which have been available since 2020, enable an even greater range. Thanks to the maximum capacity of 441 kWh in extreme operation – for example in winter – a minimum range of 230 km is possible in typical city bus operation as a solo vehicle. Under favorable conditions, up to 100 km⁵ more is possible. Solid-state batteries are more durable, have a higher energy density and are cobalt-free, but cannot tolerate the very high feed-in of power during rapid-charging.

➤ [Daimler Buses will offer CO₂-neutral vehicles in every segment by 2030 – dual strategy based on batteries and hydrogen](#)

➤ [Daimler Buses eMobility Days](#)

Further development of drive technologies for bus mobility
At Daimler Buses, we are continuously developing the technologies for the bus sector. As a result, we can offer different e-bus models, battery technologies and charging options, and our customers can find the right solution for every application.

In Latin America, Daimler Buses has also begun electrifying its urban transport portfolio. In 2022, we will launch the first Mercedes-Benz Bus e-chassis on the market here.

In the EU30 region, we want to exclusively offer CO₂-neutral city buses in our city bus segment by 2030 and also a range extender variant with fuel cell by 2023.

By 2025, we plan to offer the first electric vehicle for the intercity bus segment, and by the end of the decade, touring coaches with hydrogen-based fuel cell technology.

Expansion of hydrogen charging infrastructure

GRI 203-1 SDG 9

At Daimler Truck we are determined to introduce hydrogen-based fuel cell trucks to the market. We also want to help set up and expand the necessary infrastructure, as well as enable convenient and safe hydrogen refueling.

The network of hydrogen refueling stations is growing: In the joint venture H₂ MOBILITY Deutschland, we have been working together with Air Liquide, HY24, Hyundai, Linde, OMV, Shell, and TotalEnergies since 2015 to expand the hydrogen refueling station infrastructure throughout Germany. There are currently over 90 publicly accessible hydrogen filling stations with a pressure level of 700 bar. Others are under construction or in the planning- or approval phase. In the future, we will place particular emphasis on the expansion of a tank infrastructure for heavy-duty trucks.

⁵ The range specification is an estimate; the actual range achieved may be lower than the value determined due to individual vehicle use.



We also want to participate in the construction of a Europe-wide hydrogen infrastructure: Daimler Truck AG and Shell New Energies NL B.V. (Shell) signed an agreement in the year under review to jointly promote the launch of hydrogen-based trucks in Europe. Part of the agreement is to set up a hydrogen filling station infrastructure for trucks and to use fuel cell trucks on customer premises. Shell is initially planning to establish a green hydrogen filling station network between its three production locations in Rotterdam (the Netherlands), Cologne and Hamburg. From 2024, a series of hydrogen refueling points for heavy-duty trucks are planned between these sites.

Daimler Truck AG aims to hand over the first heavy-duty hydrogen trucks to customers from 2025 and to start major in the second half of the decade. The hydrogen infrastructure in this corridor will then be expanded further. From 2025, the corridor is planned to have a total length of 1,200 km. In 2030, around 5,000 Mercedes-Benz brand heavy-duty fuel cell trucks will be in operation in the region and fill up with green hydrogen at 150 filling stations.

Similar projects are planned with BP in the UK and TotalEnergies in Benelux and France.

Hydrogen-powered transport logistics requires that the highly compressed gas- or even better, the liquefied hydrogen – can be refuelled easily and safely. To make this possible, we signed an agreement with Linde PLC in early December 2020: Together we want to develop the next generation of liquid hydrogen refueling technology for fuel cell trucks.

Building a green hydrogen infrastructure requires broader support from society and cooperation with entrepreneurs. Daimler Truck AG is therefore participating in the H2Accelerate (H2A) interest group, which has been in existence since 2020. In addition to Daimler Truck, the founding members of the interest group include Volvo Group, IVECO, OMV AG and Shell New Energies NL B.V. Total Energies and Linde PLC have also been involved since 2021. In the year under review we worked together with the other H2A member companies to establish a conducive framework for a broad sales market for hydrogen-based trucks. Among other things, we presented our approach in a series of white papers.

[Members – H2Accelerate](#)

Air pollution control in our products

GRI 103-2/-3 SDG 11

Daimler Truck’s corporate responsibility includes reconciling climate protection and air pollution control. Legislators all over the world have set standards for emissions in order to regulate the emission of harmful substances such as nitrogen oxides and particulates and to reduce air pollution. These emission limit values have become ever more stringent over the past few years. Daimler Truck takes into account the pollutant emissions of its vehicles early on in the development process. In the specifications accompanying development, we define specific properties and target values for each vehicle model and each engine variant. Based on these specifications, we also evaluate

11 | Airborne Emissions (in t)

GRI 305-6/-7

	2019	2020	2021
Solvents (VOC)	3,820	3,001	3,285
Oxides of nitrogen (NOx)	661	664	731
Carbon monoxide (CO)	192	195	196
Sulphur dioxide (SO ₂)	34	19	24
Dust (total)	104	131	552

12 | Specific solvent emissions (in kg/vehicle)

GRI 305-6

	2019	2020	2021
Buses	13.6	9.9	11.1
Trucks	7.0	8.0	6.9

milestones that we achieve during product development. To do so, we compare the current status of a project with the target values and – where necessary – take corrective measures.

In order to remain below these limit values today and in the future, we are continuously developing our technologies. IT solutions and intelligent, integrated utilization concepts enable a further reduction in pollutant emissions in addition to efficient drive and emission control. Daimler Truck has developed comprehensive concepts for air pollution control in the vehicle cab to protect drivers and passengers.

Resource conservation in our products

SDG 12

At Daimler Truck, we are continuously working on reducing the resource consumption in our products. Our measures range from material-saving lightweight construction concepts to the use of recycled materials or the reconditioning of batteries for electric vehicles to extending the service life of our products through the use of durable materials.

Decoupling resource consumption and growth

The global economy is growing, and the demand for transportation is increasing. These trends are accompanied by increased resource consumption that can be detrimental to the environment and society. For example, in many cases the extraction and further processing of primary raw materials is energy-intensive and leads to the emission of pollutants into water, soil, and air. No less important is the fact that the use of natural resources also harbors social risks. A fair distribution of raw materials, secure access to clean drinking water, and observance of human rights in the course of raw material extraction are only a few of challenging issues.

Currently, Daimler Truck vehicles are mainly made of materials such as steel, iron, aluminum and plastic. These materials are also expected to be available in sufficient quantities in the future. However, natural resources are needed to produce them. Our goal is to keep this consumption of natural resources as low as possible. For example, we plan to recycle our aluminum

scrap so that we can reuse this material in our vehicles via the material cycle. This will not only conserve valuable resources but also reduce CO₂ emissions, because large amounts of energy are needed for aluminum smelting.

However, the expansion of electric mobility is changing the need for materials for vehicle production. The drive batteries of today's generation of electric vehicles require metals such as lithium, cobalt or nickel. Given this increasing demand, it is important to ensure sufficient availability.

The raw materials built into a battery-electric vehicle return to the raw material cycle only after many years newly extracted raw materials are mainly used until then. This creates challenges for supply chains that are dependent on such materials.

Our vision at Daimler Truck is to transform our entire value chain into as closed a cycle as possible. For example, we want to recycle our production waste and old materials as far as possible.

Use of resources

At Daimler Truck, the units that are mainly responsible for resource conservation are vehicle concepts, vehicle development, production planning, and production. We make decisions concerning these areas in the specialist committees responsible for the respective model series. These committees consist of the respective subsection representatives and expert groups such as those dealing with specific groups of materials. When making fundamental decisions regarding construction concepts, production technologies and the use of materials, company management is bound by various committees, in particular board meetings. It takes into account a variety of factors – in addition to costs, resource-efficient technologies and alternative materials, including secondary materials and renewable raw materials, and opportunities for industrialisation. During this process, management examines to what extent the results of development can be transferred to large-scale industrial production, for example with regard to the use of raw materials.

Some of these substances can be categorized as scarce or critical. We therefore monitor them closely and try to continuously reduce the amount of these materials that is needed per vehicle. To this end, we use the approach Design for Environment as early as during the vehicle development stage. This means we design our vehicles to be as resource-conserving and environmentally friendly as possible during their entire life cycle. The cornerstones of this approach are lightweight engineering, the use of recycled materials, recycling and life cycle assessments. In order to reduce the weight of a vehicle whilst complying with the high safety and comfort standards, intelligent lightweight engineering depends on the right material selection, component design and production technology.

Using recycled and renewable raw materials

Our responsible use of resources includes closing material cycles and using secondary materials and renewable raw materials.

We use many components made of recycled materials in our products, depending on the specific vehicle variant and technical requirements.

In order to promote the circular economy, we have also merged with UBQ Materials, for example. The Israel-based start-up recycles previously non-recyclable household waste and uses it to produce a filler for plastics. This plastic substitute is 100% recycled and recyclable. A number of different plastic components, such as cable ducts, will soon be manufactured from it as standard. The material mixture reduced by the filler CO₂ could also be used in prototype construction and bumper production on buses and touring coaches and charge carrier boxes – should the further tests and studies prove to be positive.

Overall, the use of recyclates is also gaining political significance. The European Commission has supplemented the European End-of-Life Vehicles Directive 2000/53/EC with its European Plastics Strategy. The requirement is clear: more recycled material in vehicle production.

Renewable raw materials also offer many advantages for Daimler Truck. By using them we can reduce the weight of components. Moreover, their CO₂ footprint is almost zero when their energy is recovered, because only as much CO₂ is released as was absorbed by the plant during its growth. Last but not least, renewable raw materials help to reduce the consumption of fossil resources. We utilize a broad range of renewable raw materials such as hemp, kenaf, wool, paper, and natural rubber.

Battery development

Batteries are a key component of electromobility. At Daimler Truck, experts from a variety of disciplines deal with all aspects of this storage technology – ranging from fundamental research to production maturity.

We have been investing in resource-efficient technologies and manufacturing processes for batteries for years and are continuously working on optimizing the current lithium-ion battery. We want to steadily reduce the proportion of cobalt in our batteries. A solution for this is likely to be found soon: New technologies are making it possible to have different proportions of nickel, manganese, and cobalt. The use of so-called nickel-rich materials, in which cobalt is replaced by additional nickel, reduces costs while at the same time increasing the storage capacity of the batteries. Cobalt can also be replaced with special manganese compounds. The advantage of this: There is already an effective recycling process for manganese, which has been used for decades for alkaline batteries, for example.

At Daimler Truck, we are also researching the next generation of alternative battery systems. Our goal is to shorten development cycles, increase ranges through better energy density and reduce charging times.

We are consistently expanding our research and development activities. For example, we are developing our expertise regarding the technological evaluation of materials and battery cells.

[Human rights](#)

The circular economy

GRI 306-2

The overarching goal of the circular economy is to maintain the value of products, components, and materials as long as possible. This basic principle has been embedded in EU legislation since 2015. At Daimler Truck we are also increasingly focusing on measures that promote the circular economy. We subscribe to the following hierarchy of waste: The top goal is to avoid waste. In order to reach this goal, we are working to extend the service life of all vehicle components – for example, by using especially durable materials. We are also using resources efficiently and reducing the use of raw materials that are only available in limited amounts. Only then do we move down the hierarchy of waste to measures for reusing various components and parts and for recovering materials by means of recycling.

Re-use – new life for used vehicles and parts

Mercedes-Benz trucks that have a low mileage and low vehicle age now bear the “Mercedes-Benz Certified” label following a technical inspection. Trucks with the new label are no more than five years old, have less than 500,000 km on the clock and have been technically tested according to stringent, uniform standards by our own TruckStores and branches or Mercedes-Benz contract partners. We want to use this seal to further refine the profile of our used vehicle business and give our customers a special promise of quality.

Used parts are remarketed according to our quality standards. For example, remanufactured genuine parts are sold on the North American market with the same performance, durability and reliability, providing a cost-effective and sustainable alternative to new parts.

Remanufacturing

At Daimler Trucks & Buses, we understand remanufacturing as reconditioning used original parts in such a way that they correspond to a new parts in terms of functionality, safety and quality. This is what our Genuine Remanufactured Parts brand stands for. In 2021, our customers have taken the opportunity more than 370,000⁶ times to opt actively for our resource-saving spare parts provided by the Genuine Remanufactured Parts brand.

Old parts undergo a careful reconditioning process that fulfill the same high quality standards we set for new part in our series production. Compared to the production of a new part, significantly fewer raw materials are required, which means that we contribute to the conservation of resources and a more positive ecological balance of our vehicles. By extending the service life of our vehicle parts and using their reconditioning, we promote independence from critical raw materials and at the same time contribute to closing the material cycle in the sense of a circular economy.

A gearbox that we install in our trucks and buses is a good example of this: compared to the new production of this component, 7,300 MJ of energy and 445 kg of carbon dioxide can be saved by refurbishing it. Eleven trees would take around ten years to absorb the same amount of CO₂.

To save resources by reconditioning our spare parts has been part of our focus for many years. The significantly lower use of energy and materials compared to the production of a new part are important drivers for the expansion of our portfolio and an important step towards a more climate-neutral company. In order to ensure the highest possible proportion of reconditioned spare parts within a vehicle, the remanufacturing engineers are already involved early in the vehicle development phase.

Reusing high-voltage batteries

The lithium-ion battery is the centerpiece of each electric vehicle. However, its production requires a great deal of energy. Lithium-ion batteries also contain a number of rare raw materials such as lithium or cobalt. For these reasons, Daimler Truck strives for reuse before recycling. Reprocessing a used battery consumes much less energy and raw materials than producing a new one. And every reprocessed battery reduces the volume of waste, because it forestalls the production of a new battery to meet the demand for replacement parts or other applications.

We reprocess defective batteries for reuse in vehicles. Because of our high quality standards, this is the fate of most of the batteries that are sent to our central reprocessing plant in Mannheim. After being reprocessed – in line with the requirements of series production – the batteries are closely inspected.

Batteries that are no longer suitable for reuse in a vehicle – for example, because their residual capacity is too low – can continue to be used in a stationary energy storage unit. This is how we improve the environmental balance of electric vehicles – while also contributing to the establishment of a sustainable energy industry. These energy storage systems can offset fluctuations in electricity production from renewable sources, smoothen out load peaks, and serve as backup power sources for an uninterrupted energy supply. Many energy storage systems of this kind, with a total capacity of more than 95 MWh, are already operating in Germany.

In order to conserve resources in the field of electromobility in local transportation, since the 2021 reporting year, Daimler Buses has been an associate partner of the GUW+ model project, which is funded by the Federal Ministry of Transport and Infrastructure (BMVI). In a new rectifier substation of ÜSTRA Hannoversche Verkehrsbetriebe AG, a stationary energy storage system is being built based on battery systems which were previously used in test vehicles for the all-electric eCitaro city buses. The second-life application is being developed and implemented by Mercedes-Benz Energy GmbH in Kamenz (Saxony, Germany). The new rectifier substation in Hannover, Germany, is intended to supply ÜSTRA streetcars and electric buses with electricity. The storage system serves as a buffer to efficiently use the recuperation energy generated during light rail operation, and enables peak loads to be balanced out, continued operation in the event of grid failures, and feeding the public charging infrastructure. The storage system currently has a capacity of around 700 kWh and consists of around 28 battery systems.

Environmental aspects of product development

GRI 103-2

Daimler Truck has set itself the goal of developing products that are especially environmentally friendly and energy-efficient in their respective market segments. Our environmental and energy guidelines define how we intend to reach this goal. Product development plays a key role in this regard: A vehicle's environmental impact – and that includes its emissions of CO₂ and pollutants – is largely determined during the first phases of its development. The earlier in the development process we take environmental aspects into account, the more efficiently we can minimize the environmental impacts of our vehicles.

⁶ Only Mercedes-Benz Trucks and EvoBus

We systematically test the environmental friendliness of future products. An important tool in this process is the ongoing documentation of the development process. Here we define specific characteristics and target values, for example, for fuel consumption and pollutant emissions that must be achieved for every vehicle model and every engine variant. Based on these target values, we assess our progress in the course of product development and initiate corrective measures as required.

Compilation of life cycle assessments

In order to be able to assess the environmental friendliness of a vehicle, starting in 2023, at Daimler Truck we want to provide life cycle assessments. We are currently working intensively on this. In the meantime, we will systematically investigate the resulting CO₂ emissions and other environmental impacts along the entire life cycle of our vehicles.

Further analyses clearly revealed, among other things: As more and more vehicles are electrified, the focus is being shifted toward factors such as the production of the high-voltage battery and the generation of the electricity for charging the battery.

We collect and publish the necessary key figures for accounting for CO₂ emissions in accordance with the principles of the Greenhouse Gas (GHG) Protocol. In line with this leading global life cycle assessment standard, we divide our CO₂ emissions into two categories called Greenhouse Gas Scopes. Scope 1 comprises all the emissions we cause ourselves through the combustion of energy carriers at our production locations, such as the generation of electricity by our own power plants. Scope 2 includes all emissions that arise due to the generation of energy we purchase from external sources, such as electricity.

📄 [Table: CO₂ emissions from energy consumption](#)

📄 [Table: CO₂ emissions from energy consumption per vehicle](#)

Urban transport

SDG 9, 11

The majority of the world's population now live in cities. According to the United Nations, nearly 70% of the world's population will be living in cities by 2050. This development is affecting traffic volumes and the quality of life in urban areas. Congested roads, higher CO₂ emissions, and increasing noise- and air pollution are just some of the effects. A clever mobility mix and the further expansion of electric mobility and solutions for making goods transportation more efficient are therefore more important than ever.

At Daimler Truck, our goal is to mitigate the negative effects of urbanization. By developing innovative trucks, buses and touring coaches, we want to help make urban transport more

environmentally friendly and resource-conserving. We want to further improve the quality of life in cities with sustainable solutions for transport and passenger transport. Electric mobility offers one key lever. At the same time what is needed is a comprehensive electric mobility ecosystem consisting of products, services, technologies, and innovations.

Daimler Truck is addressing these challenges and is already shaping the transport revolution of tomorrow with intelligent mobility solutions.

We have four objectives:

- Improving road safety in urban areas for all road users
- Increasing efficiency in the use of urban mobility in terms of costs, time and space
- Promotion of sustainable mobility through the expansion of charging infrastructure and cyclical usage concepts for transport systems
- Unhindered access to mobility for all citizens

Electric mobility in transport

Transport logistics within cities puts special demands on safety and environmental protection. Daimler Truck sees it as its social mission to make urban distribution haulage safe for other road users and to reduce emissions and noise.

CO₂-neutral transport by electric truck

With the all-electric eActros truck we are demonstrating that locally CO₂-neutral heavy-duty urban distribution transportation is already a possibility today. The technological heart of the eActros is the drive unit with two integrated electric motors and two-speed gearbox. The two engines ensure both high driving comfort and high vehicle dynamics. At the same time, the quiet and emission-free electric drive allows night deliveries and access to inner cities with diesel driving bans.

Customers around the world have been relying on the Fuso eCanter for light-duty urban distribution haulage operations since 2017. The eCanter's electric drive system is also locally emission-free. During the year under review, Mercedes-Benz Trucks delivered additional vehicles to customers in Europe and Japan – more than 300 light-duty Fuso eCanter trucks were on the road worldwide in 2021.

Daimler Trucks provides full-scale solutions for its electric trucks in order to make the transition to electric transport logistics as easy as possible for customers. This includes comprehensive advice and the development of efficient charging infrastructure solutions tailored to customers – such as the sustainable combination of green electricity generation and electricity storage solutions.

Digital services for logistics

Digitalization is changing the nature of logistics: Processes, objects, and all of the participants along the value chain are already digitally networked today. A wide range of data and innovative technologies enable corresponding logistics services. Vehicles themselves are becoming more extensively linked with logistics process than ever before.

With this in mind, Mercedes-Benz Trucks now offers numerous digital services that optimize logistics processes, vehicle fleets, and individual vehicles. With services such as HABBL, Mercedes-Benz Uptime for the eActros or Fleetboard, Mercedes-Benz Trucks is helping its customers increase the productivity of their trucks even further.

Efficient logistics processes with HABBL

The HABBL management system digitizes the entire transport process for trucks: Using Daimler Truck's in-house data integration platform, shippers, logistics specialists, subcontractors and recipients can work together without needing any further interfaces. This allows users to optimize their processes and reduce costs. The system can be used in vehicles of all makes and types. The associated HABBL app takes truck drivers through their logistics workflow step by step, thereby improving process quality. HABBL especially generates added value by

- efficiently communicating the route to be traveled,
- decreasing downtimes and waiting times and thus reducing the amount of space occupied by vehicles
- preventing damage by ensuring appropriate handling of cargo.

Optimized vehicle fleets with Fleetboard

Mercedes-Benz Trucks develops and markets Fleetboard – telematics solutions that ensure the best possible management of fleets. During the year under review, a new technological foundation was established for the telematics system: The Fleetboard Portal runs on the Microsoft Azure Cloud. All Fleetboard services have been available via Microsoft Azure Cloud since October 2021. In future they will be updated at shorter intervals.

The new Fleetboard user interface includes new options for vehicle monitoring. The live vehicle positioning system regularly updates a truck's GPS position every 30 seconds. Fleetboard can also be used to plan routes and calculate tolls due. The application now for the first time provides centralized information on whether and how driver assistance systems have been used in vehicles. For example, it shows when the driver turns off the emergency braking system or Lane Assist.

The Fleetboard Manager app offers drivers basic telematics functions. The tool displays the vehicle's CO₂ emissions, GPS positions, routes, and fuel consumption. It also evaluates driving styles and points out fuel-savings potential.

Efficient service management with the eActros

Comprehensive service management is available for the all-electric eActros truck. The service package covers maintenance and repair work for the overall vehicle. The Mercedes-Benz Uptime service is also included in the service scope. It establishes intelligent networking between the truck, our Mercedes-Benz service team and transport companies. Mercedes-Benz Uptime has been expanded by more than 200 e-specific functions in the year under review. The system records all important vehicle data such as tire pressure or function-relevant information about the engine. In this way, it can analyze the condition of the truck in real time and promptly report impending defects and upcoming service work online. For example, the system monitors the charging processes or the voltage curve of the high-voltage battery. In addition, all information about the condition of the vehicle is available via the new cloud-based customer portal. Through the efficient management of maintenance and repairs, the system helps to reduce non-operational times and limit workshop visits.

The mobility revolution in public transport

Our Company – in the Daimler Buses segment – is already making an important contribution to shaping the future of urban traffic and transportation in a responsible manner. When developing commercial vehicles with battery and fuel-cell technology, Daimler Truck maintains a dialog with representatives of cities and with experts on the topics of urban and transportation development. This provides us with a valuable impulse for new strategic initiatives. We also use the feedback of these partners to review and improve our concepts.

Our electric buses, mobility solutions and digital services make local public transport increasingly locally emission-free and silent. We follow a clear strategy to electrify our product portfolio in all segments and markets.

[Further improvements in bus fleet with batteries and hydrogen drives](#)

More electric buses in public transport

Daimler Buses' goal is to enable sustainable CO₂-neutral public transport in cities. We took the first step in this direction in 2018 with the all-electric Mercedes-Benz eCitaro city bus. Since then, we have been continuously developing Daimler Buses technologies. When developing commercial vehicles with battery and hydrogen-based drive technology, Daimler Truck AG maintains a dialog with representatives of cities and leading experts on the topics of urban and transport development. This provides us with a valuable impulse for new strategic initiatives. We also use the feedback of these partners to review and improve our concepts.

Customers can choose from various electric bus models, battery technologies, and charging options – and find the right solution for their specific requirements and applications. We are currently working on expanding our service network. Nearly 40 workshops are already in operation throughout Europe.

The eCitaro is only one part of Daimler Buses' overall eMobility system, however. After all, it will take more than just the procurement of electric buses to achieve a successful transition to electric mobility in public transport. For example, in order to ensure a good urban mobility system, it will also be necessary to take into account the different needs and requirements of the public and private sectors when public transport companies switch to electric bus fleets. The eMobility Consulting Team at Daimler Buses offers comprehensive advice and support in the specific implementation of the project.

Digital services for passenger transport

Digitalization and networking make it possible to sustainably increase the efficiency and customization of bus mobility.

The OMNIplus ON portal from Daimler Buses integrates and consolidates all the digital services needed for this in a clearly structured manner. For example, bus companies can use the portal to personally access all the services they offer. OMNIplus ON is based on the following pillars:

- **ON advance** makes it possible for bus companies to utilize an anticipatory fleet management system: The OMNIplus Uptime service allows customers to remotely monitor the technical condition of each of their vehicles and thus identify any need for maintenance or repairs early on.
- **ON monitor** combines telematics services. That provide bus companies with fleet information such as fuel consumption and the latest operating data of a vehicle. Telematics services make it possible to analyze driving styles, locate vehicles, and efficiently plan bus operations. They also help bus companies meet legal documentation requirements regarding the storage of driver cards and bulk data.

- **ON drive** supports drivers with their daily work. A smartphone can be used to easily perform vehicle tests or access vehicle information, such as tire pressure or fuel tank levels.
- **ON commerce** enables bus companies to procure spare or reconditioned parts quickly and selectively from the new OMNIplus digital eShop. And plans for the medium term also call for the eShop to offer service contracts and 3D printing of small parts.
- **ON SignalStore** provides our customers with data packages that can be used to transfer historical and real-time data points directly from the vehicle into their own system via an interface for further processing. Such data includes location data and data on high-voltage batteries, climate control, and ventilation, as well as technical data for error diagnosis.

Improving passenger transport through rapid transit systems for buses

Bus Rapid Transit (BRT) systems enable fast, convenient, and cost-effective mobility. Exhaust gas and noise emissions are reduced. These systems require the use of dedicated bus lanes that enable congestion-free operation and short intervals between buses.

With the introduction of a BRT system in the Australian city of Adelaide about 40 years ago, Daimler Buses was one of the pioneers of urban mobility. Approximately 180 BRT systems are currently operating on all continents. At Daimler Truck we are continuing to support efforts to expand BRT systems around the world. For example, we supply suitable articulated buses and provide advice to public transport companies on the introduction and further development of BRT systems.



Climate protection, air pollution control and resource conservation in production

SDG 13

In addition to our vehicles themselves, their manufacture also has an impact on the environment. That's why we at Daimler Truck are working on reducing the emissions of CO₂ and air pollutants as well as the consumption of resources in production.

Climate protection in production

GRI 103-1/-3 GRI 302-1

We want to reduce greenhouse emissions not only to our mobility solutions but also to our own production plants. By pursuing our goal of making our production processes CO₂-neutral over the long term we are fulfilling our commitment to the Paris Agreement and complying with other national and international climate protection guidelines.

We use internal and external tools to monitor progress towards our climate targets in the plants. Daimler Truck AG has defined key figures for the internal review. An external auditor annually evaluates a selected number of our corporate goals and their implementation. We use the results to adapt and develop our climate protection measures.

The share of renewable energies in the total electricity consumption in the production of Daimler Trucks & Buses was 45% in the year under review, and 18% of total energy consumption.

Responsibilities and Organization

GRI 103-2

Daimler Trucks operates more than 40 sites worldwide, each of which is subject to different regional and national laws.

The environmental and climate protection measures at our production locations are controlled and coordinated across business units by three regional committees: Germany/Europe, North/South America/Africa and Asia. Our experts can network across companies and plants and exchange information on legislation, procedures and innovations. Internal standards and procedures that apply worldwide are also developed in these committees.

Purchase of green electricity

GRI 103-1/-2/-3 SDG 7

In order to achieve climate-neutral production, we at Daimler Truck are consistently reducing our CO₂ emissions and - wherever possible - we want to completely avoid them. The green electricity supply is an important control lever: Our goal is to supply green electricity to our twelve European Daimler Trucks & Buses sites.

The bus production locations in Spain and the Czech Republic (Sámáno and Holýšov) have been sourcing electricity from renewable sources since January 2021. The German bus and truck production locations as well as all European production locations have been supplied with green electricity since the beginning of 2022. Outside Europe, the Mexican plant of Saltillo and the US plant in Portland have been sourcing 100% green electricity since the beginning of 2022.

Green electricity generation

GRI 103-1/-2/-3 SDG 7

Another important pillar of our CO₂-neutral production is the expansion of renewable energies at our locations.

The Chennai site (India) already covers 12% of its electricity requirements with its own photovoltaic systems (PV systems). Further PV systems exist at several locations in North and South America, Europe and Turkey.

In 2021, Daimler Truck AG reviewed whether further PV systems could be built at its production locations worldwide. Based on this review, there is considerable potential for expansion at the German sites in Würth, Kassel, Gaggenau and Mannheim; we will start with the implementation as soon as in 2022. We are driving expansion worldwide, for example in Kawasaki (Japan).

We are currently examining the use of biogas as an alternative to natural gas at the Chennai site (India) for example.

European Emissions Trading

Industrial facilities that generate CO₂ emissions as a result of the combustion of fossil fuels and whose approved thermal output exceeds 20 MW are required by law to participate in the EU Emission Trading System (EU ETS). The operators of such facilities are required to calculate on an annual basis the CO₂ emissions they generate, report the figures to the responsible authorities, and then submit to the same authorities CO₂ emissions permits in the amount of the reported CO₂ emissions. The Company is permitted to generate one ton of CO₂ per CO₂ emission permit (European Union Allowance - EUA). The permitted total number of EUA certificates within the EU's emissions trading program is limited. A small number of EUA certificates are assigned to industrial plants free of charge. Fewer and fewer free CO₂ emissions permits are issued each year, which means that by the end of the fourth trading period (2021 to 2030) the number of such permits will have reduced to zero. A large portion of the CO₂ emissions permits that are needed must therefore be acquired at a cost via EUA auctions, the emission certificate market, or direct trading.

Currently, more than a third of CO₂ emissions released at Daimler Truck's European production locations are covered by the EU emissions trading scheme. We are using various measures to try to reduce CO₂ emissions. These include, for example, projects to increase energy efficiency or to expand capacities for renewable electricity and heat generation.

Compensation of CO₂ emissions

GRI 305-1/-2/-5

Since the beginning of 2022, Daimler Truck AG has been compensating for all CO₂ emissions at European production sites, which cannot yet be prevented, through qualified climate protection projects. This is also expected to apply to all production locations in North America by 2025.

In the current state of the art, unavoidable emissions arise, especially in our combined heat and power plants, which generate electricity and heat with natural gas. All compensation

projects meet the high quality standards of the Gold Standard. The projects not only prevent CO₂ emissions, they also promote sustainable, socially beneficial, and environmentally friendly development in many ways in the countries where the projects operate. Our portfolio also includes projects that promote a renewables-based energy supply – for example, geothermal energy in Indonesia and energy for the reduced-CO₂ purification of drinking water in Uganda.

13 | Energy consumption (in GWh)

GRI 302-1/-4

	2019	2020	2021
Electricity	1,329	1,134	1,374
Natural gas	1,770	1,537	1,609
District heat	130	123	181
Heating oil	64	27	44
Liquefied petroleum gas	29	22	51
Coke	45	21	40
Fuels	228	175	205
Total	3,595	3,038	3,504
Renewable Energy (in %)	15	17	18

14 | Energy consumption per vehicle (in MWh/vehicle)

GRI 302-4/-5

	2019	2020	2021
Buses	9.95	13.71	14.82
Trucks	6.7	7.87	7.29

15 | CO₂ emissions from energy consumption (in 1,000 t)

GRI 305-1/-2/-5

	2019	2020	2021
Natural gas	320	278	293
Heating oil	17	7	12
Liquefied petroleum gas	6	5	11
Coke	17	8	15
Fuels	60	46	54
Total Scope 1	420	344	385
Electricity	410	350	449
District heat	23	21	31
Total Scope 2, market-based	433	372	480
Total Scope 2, location-based	540	446	597
Total Scope 1+2	853	715	865

16 | CO₂ emissions per vehicle (in kg/vehicle)

GRI 305-1/-2/-5

		2019	2020	2021
Buses	Scope 1	1,251	1,738	1,858
Buses	Scope 2	910	1,250	1,037
Total	Scope 1+2	2,161	2,987	2,894
Trucks	Scope 1	788	880	791
Trucks	Scope 2	836	987	1,039
Total	Scope 1+2	1,625	1,867	1,830

Air pollution control in production

GRI 103-2 | SDG 11

Not only our vehicles, but also our plants release air pollutants. Lowering these emissions from our plants is a constant task and a challenge – for our plant and facility planning teams and our daily operations. Volatile Organic Compounds (VOCs) are especially important in this regard, in particular those produced in our paint shops. In addition, our combustion- and energy generation plants release nitrogen oxides and sulphur oxides as well as fine dusts. The latter also occur when extracting welding fumes in the body-in-white construction areas. All three are also significant air pollutants that need to be reduced.

At the plant level, we regularly check compliance with the internal and external environmental protection requirements at our production locations, and the plants' reporting obligations. In the event of any incidents relevant to environmental protection occurring, we document them and take all necessary measures to eliminate possible damage.

Reduced solvent emissions in production

Daimler Truck aims to become one of the world's leading companies when it comes to dealing with production-related VOC emissions. VOCs are a group of organic hydrocarbon compounds that are highly volatile under normal climatic conditions. These substances easily pass from the liquid to the gaseous phase and have the potential to form ground-level ozone as a gas, thereby polluting the environment. In commercial vehicle production, VOCs are mainly released during painting.

A reduction in VOC emissions can be achieved by selecting newly developed, solid-state paint materials, optimizing painting processes and/or installing new, modern exhaust air purification systems. For this reason, Daimler Truck has been continuously working for years on developing and using new technologies and paints in cooperation with its suppliers.

For example, after five years of development in 2019, a new wet-in-wet coating concept was developed worldwide and introduced in one of the production plants. This new coating concept offers many advantages such as the reduction of the number of application steps from two to one. Ultimately, the VOCs used from the paintboxes and the dryer exhaust air are concentrated and completely removed from the exhaust air. This is how a zero-emission production process can be realised.

In summary, the new painting process with all its innovative approaches is referred to as "EP-T", which means "EcoPaint Truck" and stands for its environmentally-friendly and flexible process.

Taking the example of the Würth vehicle plant, where the switch from water-based paint technology to the new EP-T cab painting process is currently taking place, the reduction in paint applications, the elimination of flash-off times and intermediate drying, but above all the reduction in the process area to be air-conditioned in the box concept leads to savings of 31% in energy, 78% in VOC emissions and 7,000 t/a in CO₂.

Conserving resources in production

GRI 103-1/-2/-3 SDG 12

For the environmental sustainability of vehicles, apart from the use of resources by the vehicle, the consumption of resources in manufacturing also plays an important part. For this reason, Daimler Truck is continually working to design the use of resources in our production more efficiently and in a more eco-friendly manner. One important lever for reaching this goal is our measures to increase our energy efficiency. By becoming more energy-efficient we decrease our energy consumption and conserve resources while reducing CO₂ emissions. We also want to reduce our water consumption, for example, by closing water cycles. Conserving resources also means reducing waste. To achieve this, we are working harder to reduce the consumption of raw materials and other substances at our locations.

Group-wide resource management

We have established various resource management systems at our production locations, which we have certified on a regular basis. For example, we use environmental management systems in accordance with EMAS in Germany and ISO 14001 at our international locations. Since 2012, we have also been working at our German and North American production locations with energy management systems in accordance

with DIN EN ISO 50001. Outside these regions, we currently operate ISO 50001 systems at individual locations. In line with the standard, we have integrated environmental and energy management into our organization.

On the one hand, the effectiveness of the management systems is audited by external experts in the context of certification (ISO 14001, EMAS, ISO 50001). Around 95% of Daimler Truck's workforce work at locations with an ISO 14001-certified environmental management system. We also carry out internal environmental risk assessments: As early as 1999, we developed an environmental due diligence method in order to ensure transparency regarding potential environmental risks at our production locations, assess these risks, and to avoid them. Since then we have employed this method throughout the Company – both internally at all production locations in which the Company has a majority interest, and externally in connection with our planned mergers and acquisitions.

In a five-year cycle, we audit and assess the consolidated production facilities of Daimler Truck in accordance with a standardized process. The results are reported to the respective manufacturing site and management so that any potential optimizations can be made. In addition, we annually assess the extent to which our recommendations for minimizing risks at the locations have been put into practice. The objective of our environmental risk assessments is to ensure that we meet high environmental standards at all of our production locations around the world.

Between 2000 – 2021, we completed 181 risk assessments at Daimler Trucks & Buses production locations. In 2019, the fifth round of environmental risk assessment started and will run until 2025. In the years 2020 and 2021, due to travel constraints and lockdown rules imposed during the COVID-19 pandemic, the scheduled evaluation of our locations could not take place. Exceptions were the four Daimler Trucks sites in Germany, which were assessed under COVID-19-compliant hygiene and social distancing regulations in 2021. The canceled evaluations will be made up for in the coming years in order to maintain the five-year cycle for Daimler Truck. The internal reporting and the monitoring of improvement measures continue to take place as usual.

Monitoring our objectives

GRI 103-1/-2/-3

In order to monitor progress toward our objectives and our reporting in this area, we systematically compile key environmental and energy data from its plants in Germany and abroad. This data is entered into a central environmental data information system by the global production locations and then evaluated.

On the basis of the data and by means of internal and external tools, we monitor the extent to which we are reaching the resource targets we have set for our plants. We have defined the key figures for in-house assessments, and we monitor these figures on a regular basis by means of a scorecard. We have commissioned an auditing company to conduct the external audit. This company annually evaluates a selected number of our corporate goals and their implementation. We use the results to adapt and develop our measures for resource conservation.

There was a 7% reduction in energy consumption per vehicle in 2021 compared with 2020.

Water consumption per vehicle decreased by 13% in the year under review compared to 2020.

The amount of waste per vehicle increased by 18% in 2021 compared to the previous year. This increase is primarily due to the fact that an additional foundry for engine blocks was included in the scope of production-related energy and environmental data in the 2021 reporting year. The foundry produces large quantities of waste sand, which leads to a significant increase in total waste in Daimler Truck Group.

Reduction of energy consumption

GRI 103-1/-2/-3 **GRI 302-4** **SDG 7**

At Daimler Truck, we regularly measure and assess our essential energy consumption in order to identify and take advantage of savings potentials in the areas of production and infrastructure. We systematically record energy consumption in a database used throughout the Group.

The individual Daimler Truck plants are using this data to plan measures to reduce energy consumption and thereby CO₂ emissions. These energy efficiency measures are systematically recorded in a different Group-wide database.

In order to save energy, for example, we have optimized the switching times of lighting and ventilation systems at several locations and replaced conventional light sources with LEDs. In addition, we have implemented new lighting control concepts, including dimming functions.

At the Daimler Truck plant in Wörth, for example, electricity and heat are saved by using intelligent switching times of the ventilation system in conjunction with the building management system (before the start of production). At the Daimler Truck plant in Mannheim, part of the waste heat is fed into the space heating network through the heat recovery process of the cupola furnace. Several energy efficiency initiatives have been carried out in various US plants, for example replacing recooling systems with energy-efficient models, upgrading compressed air systems to the latest state of the art and optimizing various production processes in terms of energy efficiency.

We also pay attention to high energy efficiency when purchasing new production facilities and converting buildings. We focus on the control systems for all technical installations and components, as well as a transparent system for measuring consumption. For example, at Daimler Truck we consider it important to have production equipment that can be switched off during breaks and non-production times and can be operated efficiently even under partial-load conditions. Moreover, we are raising the awareness of the workforce at the plants to the issue of energy conservation by means of various measures such as visible tips, training courses, and energy measurements in the production facilities. Furthermore, we are striving toward an efficient control system for all of our energy supply and building technology facilities, we especially optimize our base load in this way.

Tables: [Energy consumption, Energy consumption per vehicle, CO₂ emissions from energy consumption, CO₂ emissions from energy consumption per vehicle](#)

Efficient water use

GRI 303-1 **SDG 6**

Water is not only a vital commodity, but also a scarce one: According to UNESCO's World Water Development Report, climate change, population growth, and increasing consumption will lead to water scarcity for more than five billion people in 2050 – if we continue to use water at the present rate. We at Daimler Truck therefore want to contribute to a more sustainable use of water resources and further reduce water use.

We reduce our water use, for example by closing water cycles by treating process water or using closed-loop cooling systems instead of open ones. We also use dry instead of wet separation technologies in new paint systems. At our truck transmission plant in Gaggenau, we paint with UV light and avoid the use of water altogether. We rely on modern robotics for metallic paints. And instead of using water, we clean selectively with lasers.

In order to make optimum use of available water resources, it is necessary to identify the areas with high water consumption and to specifically improve their water efficiency. A modern measuring system with online control is used for this purpose at our Mercedes-Benz plant in Aksaray. This Building Management System makes it possible to automatically detect significant water consumption and to quickly take precautionary measures. In this way, a total of around 200,000 m³ of water has been saved since 2017 compared to the period prior to the installation of the new measuring infrastructure.

We also strive to minimize our water use in areas outside of production, such as canteens and sanitary facilities. For example, the canteen at our Mercedes-Benz bus plant in Istanbul is partly cleaned with ozone instead of water. This saves approximately 50% water when cleaning the canteen.

Wastewater from our production processes and sanitary facilities is either channeled to local wastewater treatment and disposal facilities according to local regulations or pretreated and purified at our own locations. We also have biological wastewater plants at individual Daimler Truck locations. The risk of polluting rainwater on our plant premises is minimized by implementing internal Group regulations on environmental protection. Daimler Truck AG has set itself the goal of fully implementing the Group standard for preventing rainwater contamination at all production locations worldwide by 2030 at the latest. All plants have already begun the implementation. The implementation status is reviewed every three years. In 2021, it was 78% across all locations.

One example of our responsible wastewater management is our truck and bus production plant in Chennai (India). None of its wastewater is channeled into the sewage system or into bodies of water. Here, process water is systematically treated

in the plant's own wastewater treatment facility. In addition, large volumes of rainwater are collected in retention basins on site and purified by water filtration systems. The water is then used in operating processes, sanitary facilities and in green areas.

Assessing and minimizing water risks

In 2021, Daimler Truck AG carried out a water risk analysis using a tool from the World Wide Fund for Nature (WWF) at the locations Saltillo (Mexico), Aksaray (Turkey) and Chennai (India), which were particularly affected by water shortages. The WWF water risk filter was used to investigate both location factors and production conditions. Based on the results, we defined various measures for the three locations in 2021 to minimize water risk. Some of them have already been implemented. The WWF water risk filter is due to be gradually rolled out worldwide in a second step from 2022.

17 | Water withdrawal (in 1,000 m³)

GRI 303-3

	2019	2020	2021
External supply	2,864	2,515	2,466
Well water (obtained on site)	2,160	1,605	1,816
Rainwater used	31	56	229
Total	5,055	4,176	4,511

18 | Water recirculation (in 1,000 m³)

GRI 303-4

	2019	2020	2021
Direct discharge	996	714	1,044
Indirect discharge	2,533	2,731	2,508
Total	3,530	3,446	3,552

19 | Water consumption per vehicle (m³/vehicle)

GRI 303-5

	2019	2020	2021
Buses	17.34	22.76	23.44
Trucks	9.33	10.59	9.21

Reduction of waste volume

GRI 306-1/-2 SDG 11

One of Daimler Truck's goals is to reduce waste in production. As part of this effort, it's important to ensure transparency concerning the waste value streams and to correctly separate the various types of waste. For example, in Europe we classify different types of waste according to waste key numbers, and we treat and dispose of them according to specific regulations.

We work with licensed and regularly certified waste disposal experts. In principle, our production locations are required to track the disposal of production waste to its final destination. In Germany, for example, we regularly audit the hazardous waste disposal facilities we use. Furthermore, we minimize the amount of waste resulting from new or optimized production processes, such as clippings, sands, filter media, and slurries, and try to close water cycles.

20 | Waste by category (in 1,000 t)

GRI 306-3

	2019	2020	2021
Hazardous waste for recycling	22	16	36
Hazardous waste for disposal	2	2	79
Non-hazardous waste for recycling (not including scrap)	176	124	152
Scrap metal for recycling	237	191	221
Non-hazardous waste for disposal	6	4	5
Total	444	337	493
Recycling Quota (in %)	98	98	83

21 | Waste per vehicle (in kg/vehicle)

GRI 306-3

	2019	2020	2021
Waste, Buses			
Hazardous waste for recycling	122	167	148
Hazardous waste for disposal	6	11	10
Non-hazardous waste for recycling (not including scrap)	346	434	407
Scrap metal for recycling	437	606	598
Non-hazardous waste for disposal	30	29	31
Total	941	1,247	1,194
Waste, Trucks			
Hazardous waste for recycling	38	36	76
Hazardous waste for disposal	4	4	178
Non-hazardous waste for recycling (not including scrap)	343	329	326
Scrap metal for recycling	463	508	473
Non-hazardous waste for disposal	11	10	9
Total	858	887	1,062

For example, a new plant for core sand regeneration has been used at our engine plant in Mannheim since 2020, which reprocesses foundry sand. By regenerating these sands, we avoid waste and ensure the environmentally friendly supply of cyclical material to core production. Thanks to the new system, we were able to achieve approximately 6,800 t of regenerated sand usage in core production in 2021. The same amount of fresh sand was thus saved.

Without the new core sand regeneration, we would have had to dispose of around 7,900 t of waste sand in 2021 (approximately 15% regeneration losses).

Grinding oil recovery is another example. Another new grinding oil recovery plant was commissioned at the waste management centre of our production location in Kassel. Since 2005, grinding oil has been successfully recovered by pressing the grinding sludge before disposal and returning it to the central grinding oil supply after filtration and centrifugation. These systems prevent waste and thus protect the environment. This process can save around 310,000 liters of grinding oil per year at the Kassel plant. This process is also used in other of our production plants.

We also launched the Tork PaperCircle® recycling system at our Gaggenau facility in 2021. In cooperation with Tork, the paper towels from our sanitary areas are re-circulated and processed into new hygiene paper products. As a result, we aim to avoid approx. 60 tons of paper waste per year. We are not only reducing our waste in production, but also in logistics. We optimize packaging and use reusable carriers. For example, at our Mercedes-Benz plant in Aksaray (Turkey) we have improved the packaging of engines and transmissions for transport: Instead of disposable wooden packaging, we use reusable steel carriers. Through this measure we are saving packaging materials equivalent to 3,200 trees annually.

Biodiversity

SDG 15

Biodiversity is declining all over the world. There are many causes for this global problem – including the massive use of natural resources, increasing pollutant emissions, and production-related inroads on habitat. As well as reducing emissions, protecting the climate as well as soil and water resources, another important task for us at Daimler Truck is the maintenance and promotion of biodiversity at our plant locations. At our production plants we have already established many measures to preserve the environmental balance, and we will continue to expand these in the future.

Our internal recommendations for promoting biodiversity include practical tips for creating semi-natural habitats at Daimler Truck plants. They encourage the plants to actively promote biodiversity and to consider this aspect when construction work is being planned, as well as implementing the corresponding measures. With this in mind, we have also redesigned green wilderness spaces at our German production locations and planted roof and facade greenery. We have also built insect hotels and nesting aids for birds to preserve animal diversity, as well as lizard habitats, open landscapes for wild bees, dry streams, rock gardens and flowering meadows.

In addition, the current biodiversity in the relevant areas of plant premises (e.g. insects, wild bees, birds) was recorded in the year under review by means of appropriate investigations and screening in order to estimate and confirm the success of nearby planting.

In order to raise employees' awareness of biodiversity, we designed a roadshow on the topic, which was presented at our Mannheim and Kassel locations in the year under review.

A range of nature conservation organizations advise, monitor, and document our wildlife-related activities at our production locations.

The Biodiversity Index (BIX), which we have developed ourselves and which was coordinated with external nature conservation organizations, is available for location-specific assessment and further development of the biological value of existing areas. The BIX can be used to measure whether such measures are of benefit for biodiversity.

Environmental training

Daimler Truck conducts environmental protection training at its locations. The important content of our training courses includes waste and hazardous substance management, water pollution control, wastewater treatment, emergency management in case of environmentally relevant malfunctions, and the planning of plants and workplaces in accordance with environmental protection principles.

The frequency and the content of our training sessions for employees depend in part on local factors and legal requirements. These requirements can differ depending on the location. In Germany, the Environment & Energy Management Group function coordinates annual training courses for qualifying environmental protection officers responsible for air and water pollution control and waste management as required by German law.

Climate protection and resource conservation in the value chain

GRI 103-1/-2/-3 SDG 13, 17

Suppliers are an important part of our production network. As a result, they can make a significant contribution to reducing emissions and conserving and sustainably managing resources throughout the entire value chain through their commitment to climate protection and resource conservation.

Climate protection along the supply chain

In order to promote transparency about the environmental impact of our supply chains, we have already worked together with the non-profit organization the Carbon Disclosure Project (CDP) as a part of former Daimler AG. We are continuing this as the independent Daimler Truck Group. In 2021, we carried out the CDP Supply Chain Program for the second time and asked our most important suppliers to report on the environmental impact of their business activities and their climate protection efforts. The CDP Supply Chain Program encourages our suppliers to make continuous improvements regarding climate protection and to take further action.

In the 2021 reporting year, we invited our most important suppliers to take part. They represent around 75% of our annual procurement volume.

Environmental management in the supply chain

The supply chain plays an important role in our efforts to conserve resources. We also expect our suppliers of production materials to operate with an environmental management system that is certified according to ISO 14001, EMAS or other comparable standards. If a supplier cannot provide a certified environmental management system, they have two years to set one up and get it certified. In addition, our contractual conditions require our suppliers to comply with the sustainability standards and the environmental requirements listed therein and to pass these on to their suppliers.

Supplier award

At Daimler Truck, we see climate protection and resource conservation in the supply chain as a joint challenge for us and our suppliers. Public recognition for great performance is important to us. In the year under review we thus launched the Daimler Sustainability Recognition together with former Daimler AG in which we honor suppliers for outstanding sustainability performance in the categories of climate protection and resource conservation. Three suppliers were nominated for their CO₂ reduction measures in production as well as their innovative concepts for the use of secondary materials. In the end, one supplier was honored.

Daimler Truck plans to continue awarding suppliers for outstanding sustainability performance.

[Supply chain responsibility](#)

[Daimler Sustainability Recognition | Mercedes-Benz Supplier Portal](#)

Social aspects



Social aspects

We are a commercial vehicle manufacturer – and at its core it is all about the people who are touched by our work: about the occupants of our vehicles and all road users, whose safety is always our top priority; about our employees, who make our company successful through their ideas, talents and skills and bring about the transformation process; about all people who enable our supply chains in which we are committed to protecting human rights.

Road safety and automated driving

SDG 3, 11

Accident-free driving – this vision drives us at Daimler Truck and is a firm element of our sustainable business strategy. Our innovative driving assistance systems already offer drivers and passengers a high level of safety and comfort today. They can assist in avoiding or safely handling critical driving situations. This enables them to protect occupants and other road users. Warnings and active vehicle assistance are now increasingly mitigating the consequences of accidents or even preventing them altogether.

Along the road to accident-free driving, Daimler Truck has set ambitious goals for itself and is pursuing them vigorously. These goals are reviewed on a continuing basis by the Group's management, among other things, with the involvement of the Sustainability Steering Committee. Daimler Truck strives to

- Further improve accident-avoidance systems, for example with Active Brake Assist,
- Making our vehicles even safer for drivers and passengers in and after an accident – for example, with suitable vehicle structures, restraint systems and systems that can act after an accident,
- Making our vehicles safer also for other road users through pedestrian detection and partner protection – for example, using Active Side Guard Assist (ASGA).

Through these measures, we want to increase road safety.

Automated driving systems have the potential to fundamentally change the nature of mobility – and improve it. But along with all the advantages, we also need to be careful: Ethical issues and data-protection risks must also be considered when using automated driving systems.

Vehicle and environmental safety

Whether pedestrians, cyclists or motorists: We want to protect all road users in the best possible way, not just the occupants of our vehicles. In order to achieve this, our efforts focus particularly on safety – from vehicle development to innovative assistance systems.

Improved road safety

GRI 103-1/-2

Zero traffic fatalities by 2050 – that's the target of Vision Zero. Former conservative-led federal government solidified this vision in the coalition agreement with the social democrats in 2018. In addition, plans call for the Vision Zero target to be utilized as a guiding principle of the German Road Traffic Regulations (StVO). In this direction, the next milestone is to reduce the number of traffic fatalities and critically injured individuals by 50 percent by 2030 as compared to 2020. As a vehicle manufacturer, Daimler Truck can make an important contribution to achieving this goal with its safety and assistance systems.

Safety is part of our DNA and one of our most important obligations – not just toward our customers but toward all road users. We aim to achieve the best possible accident safety results with a high degree of occupant protection and protection of other road users.

We therefore focus strongly on safety as early as the vehicle development stage. For decades, our in-house accident research has laid the foundation for innovative safety technologies and the development of more efficient systems. The accident research team records national accident events and carries out accident analyses based on established criteria. Safety requirement specifications are developed from the knowledge gained and implemented by the specialist units. We plan to continue pursuing this approach in the future and integrate new and improved assistance systems into our vehicles. They are intended to help prevent or mitigate the effects of as many accidents as possible. We also raise public awareness of road safety – for example through educational programs and roadshows – and provide information about safety technologies and innovations.

Systematic accident research

GRI 103-3

Preventing accidents or at the very least mitigating the consequences of accidents is a top priority for Daimler Truck, for trucks, buses and touring coaches. That's why we are constantly developing new, more effective safety and assistance systems and optimizing the existing ones. Commercial vehicle accident research plays a key role in our developments: With its accident analyses, it provides the basis for improvements in our vehicles. For example, accident researchers at former Daimler-Benz AG have been examining selected accidents involving Mercedes-Benz trucks throughout Germany since 1972. They documented data and information about the course of the accident, the vehicles involved, and the damage caused.

This allowed us to develop and launch many of our safety solutions before there was a legal requirement to do so – this includes, for example, our Active Brake Assist 5 (ABA 5).

Accident data from vehicles with combustion engines also helped to define the best possible location for installing batteries and high-voltage components for electric vehicles. In this regard, they have come to the conclusion that particular attention must be paid to the charging process.

Vehicle development

GRI 103-2

Daimler Truck employs its holistic Integral Safety concept in vehicle development. We first used this concept to assign safety systems to four phases in the late 1990s under the umbrella of former Daimler Chrysler AG: Assisting with driving, preparing for a possible accident, protecting against an accident and assistance after the accident.

Our safety measures establish a bridge between active and passive safety within these four phases – i.e. between accident prevention (phases 1 and 2) and protection when an accident occurs (phases 3 and 4):

- **Phase 1: Safe driving**
Assistance systems that make driving safer, assist drivers, and can help to prevent accidents. One example is Active Drive Assist for trucks, which enables partially-automated driving.
- **Phase 2: In a critical driving situation**
Safety assistance systems that can warn, assist, and engage automatically, as well as protection systems that can already be activated in the pre-accident phase. These systems can, for example, help to mitigate the severity of, or completely avoid collisions with vehicles, pedestrians and cyclists. Examples are ABA 5 and ASGA.

- **Phase 3: During a crash**

Protective systems that can protect all vehicle occupants intelligently and as required, such as airbags, belt tensioners, crash concepts for the targeted reduction of impact energy, cab design with a focus on a high level of occupant protection.

- **Phase 4: After a crash**

Systems that can help after an accident, such as automatic activation of hazard warning lights, or automatically disengaging the central locking system.

Tailor-made safety systems

Whether it be trucks or buses: different types of vehicles require different types of protection systems. This is why we utilize specific measures and safety systems in both vehicle segments.

We are constantly developing new, more effective safety and assistance systems for our trucks, as well as optimizing existing systems. Buses and touring coaches require additional, special protective equipment that meets the high safety requirements of this type of vehicle.

Mercedes-Benz Trucks further develops assistance systems

ABA 5 is the fifth generation of our braking assistance system and the latest solution from Mercedes-Benz Trucks and uses a combination of a radar and a camera system: Along with performing emergency braking as previous systems did and within the constraints of the system or within physical constraints, ABA 5 can react to moving pedestrians at speeds of up to 50 km/h. If ABA 5 detects the risk of a collision with a person, a visual and audio warning is given by means of an intermittent warning tone. At the same time, partial braking is applied at approximately 3 m/s². If the driver fails to react, ABA 5 can perform automated, maximum full-stop braking.

Active Drive Assist (ADA) for partially automated driving (SAE Level 2), MirrorCam instead of outside mirrors and Sideguard Assist (SIR), which can detect pedestrians and cyclists, provide even greater safety.

ADA for partially automated driving (SAE Level 2) has been evolved by Mercedes-Benz Trucks. The second generation of our ADA (ADA 2) has been on the market since June 2021. The ADA 2 system can automatically initiate an emergency stop if it detects that the driver is no longer reacting to the driving situation at hand – e.g. if the driver is experiencing a medical emergency. Before an emergency stop occurs, ADA 2 wants the driver by sight and sound to steer the steering wheel. If the steering wheel is not steered despite these audio and visual warnings and ADA 2 is active, the Emergency Stop Assist function will operate, initiating a deceleration of the vehicle to a standstill while maintaining lane guidance within the system limit. While doing so the truck warns vehicles behind by turning on the hazard lights. If the truck comes to a standstill, ADA 2 can automatically engage the standard electronic

parking brake – the HOLD function is activated on vehicles with a manual parking brake. The truck is also unlocked to allow emergency services and first responders to gain access to the interior and the driver in the case of a medical emergency. The initiated emergency stop can also be aborted at any time if the driver takes control of the vehicle again.

Since 2016, ASGA has been available ex works for many models in the Actros, Arocs and Eonic model series. Since 2019, it has been possible to retrofit it in numerous models from these series (for vehicles from model year 2017).

Since June 2021, ASGA has also been available from Mercedes-Benz Trucks as an alternative to the turning assist system. The new driver assistance system can do more than just warn truck drivers of moving cyclists or pedestrians detected on the passenger side. ASGA can also independently brake the vehicle at a turning speed of up to 20 km/h – until it comes to a stop within system limits or physical limits. Mercedes-Benz Trucks is the first truck manufacturer in the world to offer such a system with an active braking feature.

Daimler Truck met the requirements of the Global Safety Regulation (GSR). As an option, the driver can suppress deactivation completely for Emergency Brake Assist, Sideguard Assist and Lane Assist.

Daimler Truck North America uses new protection systems

More and more safety systems are also being installed at Daimler Truck North America. The Detroit Assurance 5.0 safety package, which includes ABA 5, is standard in the Freightliner Cascadia, for example. Adaptive cruise control, which can be engaged starting at 0 km/h, can automatically keep the truck a safe distance from vehicles ahead – even in stop-and-go traffic. These and many other systems, such as Sideguard Assist, Lane Assist, and Steering Assist, make the Cascadia the first production truck in North America to be equipped with partially automated driving features (SAE Level 2).

Since January 2022, Sideguard Assist and Active Drive Assist 2 with emergency stop function are also available for the Freightliner Cascadia.

Daimler Truck Asia improves road safety

Daimler Truck Asia is helping to increase road safety on Indian roads with the vehicles of its Indian brand BharatBenz. There, trucks still pose a major safety risk because they are delivered ex works without a driver assistance system as standard and therefore lack a holistic safety system. In contrast, BharatBenz trucks are equipped with fully-fledged cabs, anti-lock braking system (ABS) and other standard safety features.



The Japanese Daimler truck subsidiary FUSO is also leading the way when it comes to safety: SGA which previously included a warning function but no braking feature, has been available for the Japanese market for all weight categories since 2020 – in the FUSO Canter, FUSO Fighter and FUSO Super Great. Since July 2021, the FUSO Super Great has also been offered with ADA 2 and the FUSO Fighter with ABA 5.

And we are also increasing safety in the bus and touring coach segment with driver assistance systems: The Aero Queen and Aero Ace coaches are equipped with active Sideguard Assist and ABA 4. Both coaches and the Aero Star city bus also feature the Emergency Driver Stop System (EDSS). This means that passengers can bring the bus or touring coach to as safe a stop as possible by pressing a button – for example, in the event that the driver suffers a medical emergency.

FUSO is also one of the first commercial vehicle manufacturers in Japan to install the Active Attention Assist (AAA) system already in many touring coaches as standard. The safety system uses a camera to detect the first signs of fatigue or inattentiveness: If the driver closes his eyes too long or looks to the side for too long, the system sends out a warning signal.

Needs-specific assistance systems for city and inter-city buses as well as touring coaches

The safety concept of Daimler Buses consists of many building blocks. This concept centers around vehicle and application-specific safety systems that improve active and passive safety for buses.

Specialized systems designed to address the specific challenges associated with city traffic are particularly needed in urban settings. One example is Preventive Brake Assist, the first-ever active braking assistance system for use in city buses: The system warns of a potential collision with moving pedestrians or stationary or moving objects. If partial braking is applied, the system can automatically brake the bus within its system limits if there is a risk of collision.

Turning maneuvers in cities also present potential dangers. That's why Mercedes-Benz and Setra are the world's first two bus and touring coach brands to offer Sideguard Assist with pedestrian detection. The system can inform the driver when a relevant object is located in the monitoring or warning zone of the bus. This can be a person or a stationary obstacle such as a bollard, for example. The driver is then issued a visual and tactile warning if there is danger of a collision.

ABA 5 has been fitted as standard in new Mercedes-Benz Intouro intercity buses since the beginning of 2021. The ABA 5 braking assistance system will also be installed in touring coaches in the future.

Training and awareness-raising measures

Omnipus, the service brand for Mercedes-Benz and Setra buses and touring coaches, has been providing training to bus drivers throughout Germany for 28 years now. More than 700 drivers of touring coaches as well as city, intercity and school buses participate in OMNIplus courses each year on average. And around 20,000 people have successfully completed the training courses to date. Participants learn to recognize and avoid dangerous situations in good time, as well as what to do in the event of an accident. They also receive training on technical aspects – for example principles of responsible vehicle maintenance.

Daimler Truck also offers a wide range of training options as part of its Mercedes-Benz Trucks Training. This offer is aimed at drivers and customer workshops as well as sales and service employees of our dealers. In addition to other topics – such as fuel efficiency, downtime and operating costs – the training aims to increase road safety. This enables drivers to fully exploit the safety potential of our technologies. In Germany, over 2,300 users benefitted from the training program.

Automated driving

Self-driving cars and trucks will not only fundamentally change our mobility, they also have the potential to improve it. The technology brings more efficiency, more convenience, more security – but also more responsibility in terms of data protection and ethics.

Opportunities and challenges

GRI 103-1

Fewer accidents, more road safety: This is the vision that comes with the use of automated and autonomous systems in vehicles. While efficiency in the transportation process increases, fuel consumption and costs decrease. We also expect automation to make traffic flow more smoothly – especially on highways. More than anything else, however, automated trucks can help increase road safety. Under certain conditions, redundant systems and numerous sensors and instruments can reduce the risk of an accident or mitigate the consequences of those accidents that do occur. They can also contribute to reducing emissions.

But along with all the advantages, we also need to be careful: Ethical, legal and data protection risks cannot be ignored with automated systems. An important consideration here is the responsible use of artificial intelligence (AI). AI as a component of self-driving vehicles is particularly important with regard to machine learning – since among other things AI helps the system quickly and reliably identify objects and situations in or next to the roadway.

It is our conviction that we can only generate acceptance for new technologies in society – and thus the foundation for a new era of mobility only through the interaction of various legal disciplines, such as product safety, data protection and traffic law in particular, as well as ethical aspects. Daimler Truck is aware of its responsibility in the field of automated driving and seeks to play a leading role in the field of automated systems.

Uniform regulations and legal fundamentals

GRI 103-2

New technologies require legal certainty. That's why Daimler Truck is a member of German and international bodies and associations that promote the establishment of consistent legal standards for automated driving. We seek to support the development of a uniform framework for automated systems – both for technical certification and for legally compliant operation of such systems.

We believe it is necessary for many countries to further develop national traffic and regulatory law. This is the only way to ensure legally compliant use of highly or fully automated systems (SAE Level 3 or SAE Level 4).

Some countries have in the meantime created legal frameworks – or initiated legislative processes – regarding the use of automated driving systems. There are further hurdles impeding launching this technology to market, as well as amendments needing to be made to respective national traffic laws. Measures will also have to be taken to make it possible to approve and register highly- and fully-automated driving systems for road use. The United Nations Economic Commission for Europe (UNECE) has established the regulatory conditions for this.

In January 2021, the UN regulation Automated Lane Keeping System (ALKS) came into force for cars, which is expected to also apply to trucks and buses from June 2022. It is the world's first regulation for the technical certification of highly automated driving functions. Together with the amended German Road Traffic Act (StVG) and the Ordinance on the Approval and Operation of Motor Vehicles with Autonomous Driving Function in Defined Operating Areas (AFGBV), this clears the way in Germany for the market launch of the first highly automated systems for traffic jams on motorways.

In order to enable the cross-border use of automated cars, international harmonization of the relevant legal regulations will also be necessary. The EU is currently developing a legal framework for the type approval of highly- and fully automated vehicles, which is expected to enter into force in mid-2022.



Jump to highly and fully automated driving

GRI 103-2

Today, Daimler Truck already offers partially automated driving systems (SAE level 2). These systems are available in trucks from our Mercedes-Benz, Freightliner, and FUSO brands in our most important markets on three continents. The next logical step will be to move towards fully automated driving (SAE level 4) for even greater safety, efficiency and productivity in road freight transportation.

Accordingly, one of our development priorities in the coming years will be to make fully automated trucks (SAE level 4) ready for series production. Daimler Truck brings together all of its know-how and all activities relating to automated driving worldwide in the central Autonomous Technology Group unit which reports directly to the CEO of Daimler Truck AG. One of the key tasks of the global unit is to further develop and implement our overall strategy for automated driving – including research and development. It is also responsible for the establishment of the necessary infrastructure and a network for the operational deployment of the vehicles.

We also rely on collaborations to achieve our goals and work with Waymo and Torc Robotics, for example.

[Joining forces](#)

Responsible product development

GRI 103-3

In its research and development activities relating to automated trucks, Daimler Truck is guided by three principles:

- The safety of vehicle occupants and other road users is our top priority.
- We develop our products in line with the requirements of our customers and in cooperation with them.
- A clear legal and regulatory framework for issues related to vehicle operation and liability must be established.

Technical Compliance Management System

Daimler Truck uses the elements from its technical Compliance Management System (tCMS) in the development process. It serves to ensure the legal and regulatory conformity of our products. The tCMS acts as a preventive system to prevent potential violations of technical compliance, to identify possible risks and to actively counteract them. We also create specific guidelines for our automated driving systems. Complex questions in this area are evaluated and then decided in an interdisciplinary process. Technical, legal and certification-relevant criteria are taken into account – for example, in the question of how we assess our automated driving systems with regard to safety and compliance with traffic regulations.

[Compliance with technical regulatory requirements](#)

Ethics and data protection

GRI 103-2

We also follow ethical principles and additional internal rules and regulations. This includes our own data guiding principles and the AI principles for responsible use of artificial intelligence (AI). These principles are being implemented in new work processes, business areas and mobility concepts dominated by digitalization. These principles are based on our corporate values and have also been incorporated into our Integrity Code.

In addition, our product-development activities are guided by the German government's Ethics Commission's 20 ethical rules for automated and connected driving. We also take into account draft proposals and resolutions relating to planned regulations and standards, and thereby take account of the dynamic developments in the area of automated driving. Furthermore, we also comply with external guidelines such those formulated by AI4People, by the Institute of Electrical and Electronics Engineers (IEEE), and the High-Level Expert Group on Artificial Intelligence (EU).

Comprehensive data protection is also important for ensuring public acceptance of autonomous and automated driving systems. This is why we involve our data protection experts in our concept development processes at a very early stage. The goal here is to develop data-protection-friendly concepts in accordance with the Privacy by Design principle. This is intended to minimize data protection risks from the outset by integrating responsible and legally compliant handling of personal data as early as the concept- and development phase of our products. Overall, it is about creating attractive and data protection-friendly solutions that combine convenience, functionality and protection of personal data. With Privacy by Design, we primarily look at the user and pursue the goal of contributing to a good customer experience with data protection – for example, by consistently applying principles such as transparency and option choices.

[Handling data responsibly](#)



Employees

GRI 103-1/-2/-3

As a commercial vehicle manufacturer, a fundamental change is taking place. It is not only Daimler Truck products that are undergoing rapid change. This transformation is also a significant change within the company and for the workforce.

Our employees are a core factor in the success of our Group. Around 100,000 employees worldwide drive our Company forward with their skills, ideas and commitment.

Particularly in challenging times, respectful and trusting cooperation between the workforce and management is necessary. This allows our employees to get involved – and contribute to the successful transformation of our Company.

In order to remain competitive over the long run, we offer employees continuous training – both vocational and personal. We are constantly developing our qualification measures, creating new job profiles and sharpening our requirement profiles.

We promote a diverse and inclusive corporate and management culture throughout the Group and offer adapted flexible working time models to strengthen the work-life balance.

By maintaining a healthy and safe working environment, we want to offer our employees working surroundings that go beyond the duty of care.

Future-oriented HR policy

SDG 8, 10, 16

The COVID-19 pandemic and the transformation of the economy have presented our Company, too, with challenging issues in 2021. This has shown how important it is for employees and management as well as the Company and employee representatives to work together constructively – this is the only way to find viable solutions. The goal is to create a common understanding of togetherness as partners within the Company. We have established how we take on responsibility in our employee relationships in our policies and company agreements.

22 | Employees by production site

	2019	2020	2021*
Europe	50,752	49,399	49,149
thereof female	6,773	6,476	6,751
North America	24,161	23,465	27,179
thereof female	4,191	4,125	5,234
Latin America	11,117	9,965	11,347
thereof female	1,340	1,153	1,417
Africa	702	1,488	1,345
thereof female	173	258	246
Asia	14,316	15,028	15,340
thereof female	1,317	1,393	1,502
Rest of the world	349	295	254
thereof female	60	57	82
Total	101,397	99,640	104,614
thereof female	13,854	13,462	15,232

* Incl. Financial Services beginning 2021.

23 | Employees by segments

	2021*
Trucks North America	25,992
Mercedes-Benz Trucks	43,262
Trucks Asia	15,980
Daimler Buses	16,394
Financial Services	1,281
Central functions and Services	1,705
Total	104,614

* New reporting line item (no previous year's values available).

24 | Employees by group

	2019	2020	2021
Direct functions	60,350	59,752	63,683
thereof female	4,235	4,257	5,061
Administration	36,733	36,496	37,408
thereof female	8,540	8,424	9,338
Apprentices	2,743	2,460	2,665
thereof female	478	434	503
Interns/integrated master's degree students/doctoral candidates/ working students/senior experts	1,571	932	858
thereof female	601	347	330
Total*	101,397	99,640	104,614
thereof female	13,854	13,462	15,232

* Incl. Financial Services beginning 2021.

25 | External hires

GRI 401-1

	2019	2020	2021
Europe	2,068	688	1,107
thereof female	293	97	214
thereof Germany	1,078	286	649
thereof female	152	27	69
North America	1,779	905	6,445
thereof female	422	156	1,279
thereof USA	1,543	791	3,381
thereof female	367	139	905
Asia	913	441	754
thereof female	156	60	99
thereof China	90	29	16
thereof female	22	11	6
Rest of the world	954	231	442
thereof female	93	29	76
Total	5,714	2,265	8,748
thereof female	964	342	1,668

26 | Employee turnover rate (in %)**GRI 401-1**

	2019	2020	2021
Europe	5.3	4.5	6.9
thereof female	6.3	4.6	7.8
thereof Germany	4.1	4.4	6.4
thereof female	4.1	3.8	7.1
North America	12.1	6.9	15.1
thereof female	19.2	2.6	10.9
Asia	5.1	4.8	7.1
thereof female	11.3	5.7	7.8
Rest of the world	4.2	8.4	6.7
thereof female	8.4	6.8	8.0
Total	6.9	5.7	9.1
thereof female	11.7	4.2	8.9

27 | Employee turnover rate initiative termination (in %)

	2019	2020	2021
Europe	1.2	1.0	1.8
thereof female		1.3	1.9
thereof Germany	0.3	0.3	0.4
thereof female		0.4	0.6
North America	4.4	3.6	10.5
thereof female		2.0	10.0
Asia	0.0	0.1	2.2
thereof female		0.2	3.1
Rest of the world	0.3	0.2	0.3
thereof female		0.2	0.8
Total	1.8	1.5	4.0
thereof female		1.3	4.8

Labor and social standards

Based on the labor and social standards of the International Labor Organization (ILO) in 2002, former Daimler AG approved its own “Principles of Social Responsibility at Daimler,” which apply throughout the Group. In the 2021 reporting year, these principles were completely reworked, extensively supplemented and newly published as the “Declaration of Principles for Social Responsibility and Human Rights”. The formally adapted policy statement is accessible to the entire workforce and also applies to Daimler Truck AG. In the future, Daimler Truck will continue to be committed to its social responsibility and the principles on which the UN Global Compact (UNGC) is based. As a participant in the UNGC, we are committed to comply with key employee rights, among other things.

Employee representation and trade unions

GRI 102-41

At Daimler Truck, we recognize the right of our employees to form employee representation organizations for collective bargaining in order to regulate working conditions, as well as the right to strike, depending on applicable law. In order for them to exercise this right, we at Daimler Truck work together with employee representatives and trade unions.

Collective agreements exist throughout the Group for the majority of our employees. In Europe, about 70% of employees were covered by collective agreements – in North American and Asia about 65% of employees.

Corporate management and the employee representatives maintain an ongoing dialog. The rights of our employees are, among other things, laid down in various (general) works agreements, applying across all locations, which were established under the umbrella of former Daimler AG and also apply to Daimler Truck AG. They cover topics such as mobile working, family time and home nursing care.

In the Company-wide agreement of former Daimler AG, jobs security was agreed until the end of 2029, which also applies to Daimler Truck AG. In addition, management and employee representation concluded a company-wide agreement in July 2020 to reduce labor costs by the end of December 2021. The background for this are the many challenges, such as the ongoing transformation and the COVID-19 pandemic.

Remuneration systems

GRI 102-28-/35-/36 **GRI 401-2**

Worldwide, Daimler Truck remunerates work performed at all Group companies according to the same principles. Our Corporate Compensation Policy, which is valid for all groups of employees, establishes the framework conditions and minimum requirements for the design of the remuneration systems.

It stipulates, among other things, that the amount of remuneration is based on the assigned requirements of the work tasks – in consideration of, among other things, knowledge and ability, responsibility and scope for decision-making – and the person’s performance, not on gender, origin or other personal characteristics. With internal audits, the Internal Auditing department annually checks on a random basis whether selected aspects of the policy have been adhered to. In our desire to offer salaries and benefits that are customary in the industry and the respective markets, we also want to take into account local market conditions.

In 2021, no material breach of the Corporate Compensation Policy became known.

In the year under review, average personnel expenses at Daimler Truck Holding AG and the companies of the Group worldwide amounted to:

- €5,404 million (2020: €4,954 million) for wages and salaries
- €1,298 million (2020: €1,288 million) for social security
- €391 million (2020: €312 million) for pensions

with an average workforce of 102,367 employees.

The variable remuneration (company bonus) of management level 1 to level 3 and level 4 executives for the 2021 financial year is measured not only by financial targets but also by sustainability-oriented transformation targets and non-financial targets that focus on employees, customers, integrity and diversity. This approach was also retained in connection with the spin-off for December 2021.

Our HR departments hold regular salary review meetings for employees and managers. In this way, we ensure salary decision-making transparency while complying with data protection regulations. The discussions also address employee development potential.

Employees who are not satisfied with their remuneration are free to speak to their manager. If the employee and the manager fail to resolve the issue, the responsible human resources unit or works council can be brought in.

In companies subject to collective bargaining agreements, such as Daimler Truck AG, the agreements that have been reached grant employees additional rights: This gives employees the right to object to their placement in a specific salary group or to the results of their performance assessment.

The remuneration guidelines and tables for employees paid according to collective bargaining wage tariffs, as for example at Daimler Truck AG, can be viewed on the Social Intranet. Employees of Daimler Truck AG can find out about their salary structure and amount online – even in comparison to their peer groups.

Employees at Daimler Truck AG and its subsidiaries who are subject to a collective bargaining agreement are usually also offered voluntary benefits that are agreed upon with the respective employees' representative bodies. These benefits include employer-funded contributions to retirement benefits and options to participate in an employee-funded retirement benefits system. In many cases, employees who are subject to collective bargaining agreements can also participate in profit-sharing arrangements at their respective company. In addition, our employees can avail themselves of the services of a wide variety of sports facilities and social amenities – ranging from daycare centers to counseling services.

[Remuneration Report 2021](#)

Management culture and principles

GRI 404-3

In the interaction of strategy and culture, our goal at Daimler Truck is to promote a leadership culture by creating a shared understanding to actively implement the leadership principles we have developed.

With the Leadership 2020 initiative, we already laid the foundations for our future success when we were a part of former Daimler AG: Working gear groups with a diverse composition of employees and managers, together with

the Board of Management, determined what we understand as good leadership and encapsulated it in leadership principles. Moreover, they worked out which structural changes in tools are required in order to change our way of working (game changers). The long-lasting effect of the Leading Transformation initiative, which was begun in 2020 at former Daimler AG, was also apparent in the 2021 reporting year: The colleagues from the Daimler Truck moderator and support network continued to be requested for events by the departments. The content and formats of the training program were used for department-specific events. A podcast series was also created, in which the transformation narrative is discussed and communicated.

We also received external recognition for our commitment to the field of leadership in the year under review: The holistic management qualification program, Leading Transformation, of former Daimler AG was recognized with the international EFMD Excellence in Practice Award 2021 at the Gold level. The award is presented by the European Foundation for Management Development and recognizes excellence in leadership, professional, talent and organizational development. In addition, the team of former Daimler AG, of which Daimler Truck was a member, was awarded second place in the 2021 St. Gallen Leadership Awards for the Leading Transformation initiative.

We have a standardized leadership process for employees outside the production of Daimler Truck AG in Germany below level 4. In the initial discussion, managers and their employees agree on goals, targets, and areas of focus for work. Expectations regarding work performance and qualification measures can also be defined in this discussion. Further conversations will be taking place in the middle of the year. In order to determine how much progress has been made and if necessary formulate measures that can help support the employee in question throughout the rest of the year. Progress is then assessed again at the end of the year, as are the employee's work performance and development potential. All of these aspects are also discussed by the responsible management team. Finally the results are discussed with the respective employee by the manager.

28 | Retirement benefits at the Daimler Truck group (in € bn)

GRI 401-2

	2019	2020	2021**/**
Obligations/provisions for company retirement and health benefits	2.5	2.9	1.9
Cash value of pension obligations on 31 December 2021*	7.8	8.6	8.0
Social security and post-employment costs	0.3	0.3	0.4
Expenditure on statutory pension plans	0.4	0.4	0.5
Payments to retirees	0.2	0.2	0.2

* The amount of these present values is highly dependent on the accounting valuation parameters to be determined annually, in particular the discount rate.

** Due to the spin-off and independence of the Daimler commercial vehicles business in December 2021, these data are not comparable with those of previous years.

*** These data have been adjusted due to the spin-off and independence of the Daimler commercial vehicles business, but still contain minor uncertainties as adjustments for combined locations and units can only be made in the 2022 financial year.

Agreements are also reached regarding the employee's further professional development.

Flexible working-time arrangements

In the new hybrid working world, the requirements for our managers and of the entire workforce are subject to change. Together, we are finding solutions for this. The Group's management and the General Works Council expressly adhere to the goal of actively supporting mobile working in order to make a sustainable change in the work and leadership culture and foster an atmosphere of trust at the Group.

Mobile working brings employees greater individual leeway, as well as enabling greater planning security for the compatibility of professional and private requirements. In the year under review, under the umbrella of former Daimler AG, we were once again able to successfully come to understandings for the long term and embody them in works agreements. These are also applicable for Daimler Truck. Among other things, using a flexible working model, we have created the general conditions and enhanced compatibility of working life and family life – also with a view to the impact of the COVID-19 pandemic.

Daimler Truck AG also offers part-time arrangements: For example, employees can reduce their working hours and spread their daily, weekly or monthly hours over a period of one to five days.

Employees can also make arrangements to take a sabbatical lasting between three months and a year. With a reinstatement guarantee. Employees who wish to obtain additional qualifications – including pursuing a course of study at a university – can make arrangements with the company to take a three to five-year leave with guaranteed reinstatement.

In addition to various working time arrangements, Daimler Truck AG offers further support to employees who have children or care for relatives: For example, we provide childcare places for our Germany-based employees in our own daycare centers. We also cooperate with support centres: Parents can contact our cooperation partner if they have questions about alternative childcare options or need a tutor for their children.

And employees who have to take care for relatives can take a leave of absence for a period of time that defined by legal provisions, or reduce their working hours for this period for up to four years – with guaranteed reinstatement.

Employee survey

GRI 103-3

The Group-wide employee survey of former Daimler AG, which also applied to Daimler Truck in 2021, is an important indicator of where our employees think we currently stand – and what we can do better in the future. Due to the COVID-19 pandemic, the

2020 employee survey was postponed until 2021. The findings of the “2021 Daimler employee survey (DES)” show that in comparison to the most recent survey in 2018, the participation rate at Daimler Truck remains at a very high level. Likewise, there was a significant increase in engagement. As a measure based on the DES findings in the year under review, we will conduct the survey periodically at Daimler Truck also after the spin-off in order to ensure a regular review of survey results. For this reason, we at Daimler Truck AG have consciously decided on an annual cycle of employee surveys. The survey results have a direct impact on management remuneration for the reporting year.

Remuneration systems

Training and professional development

GRI 103-1 SDG 4, 8

The knowledge and skills of our employees are the foundation of Daimler Truck's worldwide success. In the course of the profound transformation in our industry, job descriptions, duties, and requirement profiles are changing. To maintain our competitiveness, at Daimler Truck in Germany, we are investing in training and professional development, continuing to expand our personnel development programs and adapting our training portfolio and the range of dual study courses at universities.

In order to successfully master digital and technological transformation, in addition to diverse, needs-oriented qualifications of our employees, we also rely on talent with digital skills and specialist knowledge in new technologies, which we target during recruitment.

Organization and agreements

GRI 103-2/-3

How will our workforce develop over the next ten years? What key qualifications and competencies are we going to need in the future? We deal with these important questions in our “Human” Resource Management Resource Management strategic personnel planning.

HR Resource Management is held at our various locations, and the HR department used it once again in 2021 as a basis for the further analysis of requirements, in an exchange with the functional departments at each site. In this process, we analyze both the quantity and the quality of the required personnel. We also synchronize it with expected workforce developments (for example, departures due to demographic trends). On this basis, the local training and professional development department plans the number of apprenticeships and the range of professional profiles of each location.

29 | Full-time and part-time employees by employment relationship*

GRI 102-8

	2019	2020	2021
Full-time	94,108	93,550	94,297
thereof women	11,103	10,880	11,444
Part-time	3,380	3,323	5,009
thereof women	1,812	1,806	2,050
Permanent	90,306	92,040	97,586
thereof women	12,024	12,101	13,989
Temporary	6,773	4,203	3,504
thereof women	750	577	410
Permanent	90,306	92,040	97,586
Europe	46,231	45,752	45,402
North America	20,398	22,090	26,982
Asia	12,370	13,186	13,084
Rest of the world	11,307	11,012	12,118
Temporary	6,773	4,203	3,504
Europe	1,211	954	1,052
North America	3,691	1,364	167
Asia	1,731	1,805	2,176
Rest of the world	140	80	109

* Not including interns, integrated master's degree students, working students, senior experts and trainees.

30 | Parental leave*

GRI 401-3

	2020	2021
Employees eligible for parental leave	27,256	27,648
thereof women	3,527	3,841
Employees on parental leave**	1,008	1,102
thereof women	335	413

* Daimler Truck AG, Daimler Truck Financial Services GmbH, Daimler Truck Holding AG.

** Return rate 99,9%.

From the Board of Management of Daimler Truck AG through our training and qualification units to our local trainers, we pursue the goal of safeguarding our competitiveness throughout the Group. Our aim is to ensure the high quality and efficiency of our vocational training programs. This is checked on a regular basis in the context of the educational steering committee and the Daimler educational system (DAS) steering committee, updated continuously and developed further as required.

In order to assess the success of a qualification measure, Daimler Truck analyzes the extent to which the skills learned by employees can be transferred to specific tasks and activities. Annual qualification meetings between manager and employee are one way to do this. We also use the discussions between HR and the specialist units on strategic qualification requirements for this purpose.

We also collect data on the number of days employees spend participating in qualification programs. We can use this key figure to make quantitative statements on mandatory- and voluntary qualification measures.

In order to be able to make qualitative statements, we use the results of our employee survey. In the year under review, the majority of our employees answered “yes” to the question of whether their working environment supports them in acquiring or expanding the skills required for the digital transformation. This shows us we are on the right track. We want to continue to build on our commitment and promote the skills required for the digital transformation.

Temporary employment contracts help ensure additional flexibility

Our cooperation with external service providers and temporary employment agencies is an important strategic tool for quantitative personnel planning. Our use of temporary workers enables us to react more effectively to fluctuating production requirements and market conditions.

We have concluded agreements that allow us to regulate our workforce strength in a flexible manner. The provisions of the company agreements “Safeguarding the future of Daimler” and “DMove” have been extended until the end of 2024 for Daimler Truck AG locations in Germany. Our concept: Temporary workers supplement the permanent workforce; they do not replace it. Because temporary employment contracts enable us to react flexibly to market fluctuations, they also make it possible for us to keep our permanent employees working at the Company.

Apprentices and students

GRI 404-2

Daimler Truck provides training in line with demand in Germany and continuously review the portfolio of our apprenticeships and courses of study. Our dual study programs are offered at various company locations and are internationally recognized.

We have standardized our training content across sites and divisions under the umbrella of former Daimler AG in the DAS. The offer is being continued by Daimler Truck AG.

31 | Qualification and apprenticeship

GRI 404-1

	2019 ¹	2020 ¹	2021 ^{2/3/4}
Qualification per male employee/year ⁵	18.9	11.2	9.9
Qualification per female employee/year ⁵	n/a	n/a	6.60
Average apprenticeship qualification hours total⁶			1,114.03
thereof female ⁷			1,068.85
thereof commercial area			945.08
thereof technical craftsmanship area			1,124.11

1 These data are based on calculations by the former Daimler AG and can therefore not be used as a direct comparison.

2 These data are based on calculations by the former Daimler AG and contain minor inaccuracies due to the spin-off of the Daimler commercial vehicle business as a separate company, as so-called mixed locations and units can only be adjusted in the balance sheet as of the 2022 financial year.

3 These data are not comparable with previous years due to the spin-off and spin-off of the Daimler commercial vehicles business as a separate company in December 2021.

4 These data include part-time and full-time employees of Trucks & Buses in Germany, North America, Asia and Brazil.

5 Note: In addition to our qualification hours listed here, we increasingly use learning formats that are integrated into the work process.

Thus, the qualification hours represent only a part of the actual scope of qualification.

6 These data refer to Daimler Truck AG in Germany.

7 The lower average number of training hours per female employee can be explained by the relatively higher proportion of women in DH studies.

The number of days spent in the company is lower for DH students than for trainees.

In the year under review, former Daimler AG also continued to focus on IT skills and IT professions, as well as high-voltage and battery technology. For example, we offer vocational training for IT specialists and automotive mechatronics technicians for system- and high-voltage technology. We have also expanded our range of options with a course of study in Embedded systems, which is located at the interface between IT and electrical engineering.

During the reporting period, we paid particular attention to the technologies that are currently shaping change in commercial vehicle production: At the truck site in Mannheim, for example, the content of the high-voltage systems course was developed jointly with trainees. Physical learning materials were used with digital learning content. In vocational training, we offer new additional qualifications such as additive manufacturing or cybersecurity.

In addition, digital learning formats and methods under the umbrella of Daimler AG as it was continued to be expanded – for example gameification, peer-to-peer learning and interactive digital learning platforms.

Overall it can be said that Daimler Truck AG has given trainees and students exciting insights into new technologies: We have set up special “Innovation areas” and “Future workshops” in our training centers. These are premises equipped with new technologies such as 3D printers, virtual paint and welding systems or augmented- and virtual reality glasses. Our trainees and students can learn about and apply these technologies of the future. In the year under review, 387 people started their training in Germany and 62 students began a dual study program.

In addition, the Training unit has also been taking on social responsibility in many ways for a long time. One example of successful integration in training is the cooperation with the Vocational Training Organization (BBW) in North Hesse and the Kassel district which helps socially disadvantaged young people.

Professional development

GRI 404-2

Daimler Truck promotes the professional and personal development of its employees. We make sure that our people have the right skills and the means to continuously improve them, and in this manner we ensure that our employees remain effective and employable over the long term in a changing environment – and that they never lose their innovative capabilities.

Expertise for managers

The qualification programs for managers at the Group teach a wide variety of skills in the areas of leadership, agile work methods, and the digital transformation. These are available to all managers worldwide starting at Team leader Level 4. New managers receive extensive support during the first 365 days after their appointment.

The team leader development program also makes it possible for our employees to take on management duties in a team leader capacity, for example. The main focus here is on skills such as pioneering spirit, giving meaning or flexibility and digital skills.

International talent programs

Since 2019, we have grouped two international talent programs together under the label of INspire – the Trucks & Buses Experience Programs, which we use to optimally prepare junior employees for their careers at Daimler Truck. Depending on their wishes and skills, these programs open up career paths in a specialized field or as a manager. We have hired 52 talents since the launch of the INspire program – including 44% women and 58% from outside Germany.

Study alongside your job

The academic further development of specialists and managers at the Group is very important to Daimler Truck. This is why we offer the Daimler Truck Academic Programs and other programs at all Group companies in Germany: The Daimler Truck Academic Programs offer employees who have been at the Company for at least one year the opportunity to study while they continue to work – regardless of their age or their professional development up to that point. We provide such employees with financial support and an accompanying program. In 2021, we primarily promoted courses of study that support the transformation of Daimler Truck.

Talent acquisition

GRI 103-3

Our Global Employer Branding provides the basis for making talented new job seekers aware of our company and recruiting them. Our [career website](#) and our social media channels support all activities in the area of employer branding.

[career website](#)

[Facebook](#)

[Instagram](#)

Alongside these media measures, personal interaction with interested job seekers, for example at national and international career fairs and recruiting events by specialist units, is especially important to us. Due to the COVID-19 pandemic, face-to-face events were not possible during the year under review. We therefore increasingly turned to digital formats and will continue to use them because of how successful they were.

With the innovative “Green Mobility Trainee” approach, together with five other companies in the mobility and logistics sector (Daimler Truck, DB Schenker, Lufthansa Cargo, Lufthansa InnovationHub, ONOMOTION and time:matters), we have launched a cross-divisional trainee program that focuses on an industry that is sustainable.

Diversity and Equal Opportunity

GRI 103-1/-2/-3 SDG 5, 10

The workforce of Daimler Truck is as diverse as its customers. We are convinced that diversity makes us more successful as a company. This is because diversity helps us to find new viewpoints and acts as a driving force behind creative ideas and innovations. We intend to foster a working environment in which all employees can freely develop their talents.

We therefore need to be respectful of one another and remain open-minded, which means there is no place for discrimination in the workplace. For us, inclusion means treating the diversity of our employees consciously, inclusively, and appreciatively. Inclusion and diversity management basically refers to equal opportunities for employees of all diversity dimensions of the Diversity Charter initiative.

Our aim is to gain the best-qualified technical and management employees for the Group and to develop them. Regardless of age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and belief, sexual orientation and social origin, all are treated equally.

Organization and responsibilities

GRI 103-2

Daimler Truck expects its employees to treat each other with respect, openness and fairness. In this respect, managers act as role models and bear special responsibility for a respect-based corporate culture.

Inclusion & Diversity Management creates the corresponding framework conditions. The Group-wide function is based in the HR department and develops strategic areas of action in coordination with the business divisions and initiates overarching projects, training and awareness-raising measures.

Principles and guidelines

GRI 102-16 GRI 103-2

Daimler Truck supports the diversity statement of former Daimler AG which was “Shaping the future with diversity” and is committed to realizing its principles:

- **Celebrating our differences:** We respect and value the diversity of our employees. We encourage them to bring this diversity to the Company.
- **Creating connections:** We benefit from the diverse experience, skills, and perspectives of our employees around the world. They reflect the diversity of our customers, suppliers, and investors.
- **Shaping the future:** Every one of us helps to create a working environment characterized by appreciation and mutual respect. Together we are shaping the future along these lines.

For Daimler Truck AG and other Group units, the principles of diversity, equal opportunities and inclusion are laid down in the general company agreements for the promotion of women and equal opportunities, and in the inclusion agreement. Furthermore, our policies regarding diversity and equal opportunity are described in our [Integrity Code](#) and our “Group-wide general agreement on fair treatment in the workplace”.

We publicly represent fundamental principles by being a partner or member of corresponding initiatives and associations.

As part of former Daimler AG, Daimler Truck was a member of the employer initiative Charter der Vielfalt e.V., the European Women’s Management Development Network e.V. and the UN Global Compact and continues to form a part of these organizations as an independent company.

Programs and measures

Daimler Truck promotes a culture of appreciation, respect and equal opportunities with specific programs and measures.

Equality for women

GRI 103-3

Our measures to promote women in the company are evident throughout the entire employee journey: Among other things, as a cooperation partner of FEMTEC, we specifically promote female students from the fields of mathematics, IT, natural sciences and technology (STEM). FEMTEC is a network of partners from renowned technology companies, leading universities, colleges and female STEM talents. In addition, we focus on the recruitment of women in our trainee programs: Since the launch of our INspire talent programs, 44% of new hires have been women.

We also offer special mentoring programs that aim to prepare women for management positions. Our company-wide women@daimlertruck network also enables women to exchange ideas with each other.

Daimler Truck AG has a company-wide agreement for the promotion of women. This agreement includes a commitment to further increase the proportion of women in the total workforce, in vocational training, and in management positions.

To measure the proportion of women in management, we draw on the relevant data from our HR reporting systems. The results are reported to the Board of Management on a regular and standardized basis. The proportion of women in senior management positions (Level 3) at Daimler Truck was 15.8% at the end of the year.

The statutory gender quota of 30% applicable to the Supervisory Board of Daimler Truck Holding AG has been satisfied, as six women are on the Supervisory Board (three on the part of shareholder representatives and three on the part of employee representatives). As of the end of 2021, the Board of Management of Daimler Truck Holding AG consisted of one woman and seven men (12.5 percent women) which means that the statutory quota has also been met in the Board of Management.

[Daimler Truck Annual Report 2021](#)

Strengthening cultural diversity

Around 100,000 men and women from 127 countries work at Daimler Truck. Our employees' diverse cultural backgrounds help us to better understand the wishes of the customers in each region and tailor our products accordingly.

We support our employees taking up international deployments: Thinking globally, developing, getting to know new cultures and working environments is practice at our company – around 265 employees from 15 nations are deployed on assignments from all over the world. The most important country of deployment for the 164 assignees from Germany is China at around 28%. This is followed by the USA at 24% and Japan at 13%. Turkey and Brazil are also important destinations. Daimler Trucks & Buses currently employs 23 “inbound staff” in Germany. They mainly come from the USA, India and Japan. In addition, 78 people from third countries are deployed, mainly in China and Indonesia. Most of them come from the USA, Japan and Brazil.

Integration of employees with disabilities

At Daimler Truck, employees with disabilities are an important and fully integrated part of our diverse workforce. Training for young people with disabilities is particularly important to the Company.

As early as 2006, an action plan for hiring severely disabled apprentices was drawn up under the umbrella of former Daimler AG together with the representative body for severely disabled apprentices. The aim of the action plan is to facilitate the application process for people with disabilities. Over the past five years, around 30 young people with disabilities have started their training at Daimler Truck AG.

Generation management

In 2021, the average age of Daimler Truck employees worldwide was 41.0 years. The demographic transformation is also leading to a situation where people continue to work for more years than ever before. This means that the average age of our employees will likely increase further in the years ahead. We see this transformation as an opportunity and are adjusting the framework conditions accordingly. Specifically, this means that we use our We focus on measures for supporting the capabilities and health of younger and older employees. And we also want to increase cooperation between people of different ages.

Generation management activities at Daimler Truck AG focus on the following activities:

- We manage the work of employees in production according to their skills. To take the load off employees, we organize work rotations with regard to their physical and psychological abilities.
- We design workplaces ergonomically to protect the health of our employees. We also integrate new technologies such as human-machine interaction. This will facilitate the performance of physically demanding activities.

In addition, we draw on the know-how of experienced employees at the Group companies in Germany, for example, who are already retired: Our Senior Experts Program offers retired experts the opportunity to come back to work and contribute their expertise to various projects for a limited period.

32 | Employees by age group (in %)

	2019	2020	2021
Under 25 years	10.2	8.8	10.1
25 to under 35 years	24.2	23.1	22.9
35 to under 45 years	24.9	25.5	25.7
45 to under 55 years	25.5	26.4	25.7
55 years and older	15.2	16.2	15.6



For employees in Germany subject to collective agreements who want to take early retirement, the company has been offering pre-retirement part-time work agreements under the umbrella of former Daimler AG since 1998, and continues to do so as an independent company. Such agreements ease the transition from work to retirement. The pre-retirement work agreements offer different entry models and working-time arrangements. The remuneration paid for the pre-retirement part-time work agreements for older employees is topped up over the full duration of the agreement.

Rainbow community support

In the year under review, an internal Pride Month took place for the first time under the umbrella of former Daimler AG: From 1 to 30 June, representatives of the international locations and the internal LGBTIQ networks offered a wide range of online formats. All employees were invited to participate in the discussion and say their bit. In virtual talks, webinars and lectures, topics related to sexual orientation and gender identity were discussed in different time zones and languages.

Our Trans* Guideline was written for transgender employees as well as managers and HR departments. This guideline clarifies company policies and the legal framework, describes administrative rules relating to name and gender changes, and lists the points of contact at the Company where additional information on these issues is available.

Network engagement

Networks enable employees of Daimler Truck with shared interests, experiences, and values to discuss various issues – across all business units and hierarchical levels. Our networks help to firmly establish a culture of diversity and respect in the Company. At the same time, they support us as dialog partners in the further development of our diversity, equity and inclusion measures. They also serve as partners for projects and events.

Daimler Truck has four company-wide employee networks and many other regional groups. Most of these are cultural, gender-related and LGBTIQ networks. To promote interaction between the networks, the Inclusion & Diversity Management team organizes regular meetings.

Raising awareness and qualification

One day in the year at Daimler Truck is especially devoted to the topic of diversity: Diversity Day. Consciously experiencing diversity, adopting new perspectives and understanding how all employees can benefit from Inclusion & Diversity Management – these are key goals we are striving to achieve. In the year under review, the company's Diversity Day took place under the umbrella of former Daimler AG for the ninth time. Under the motto "Much achieved, much to do! Why diversity needs an inclusive culture" discussions were held globally with members of the Board of Management of former Daimler AG in online events. In addition, all managers were given a guideline to subsequently seek dialog in their teams themselves.

Since May 2021, the new Inclusion in Mind! e-learning has been in use. It was developed under the umbrella of former Daimler AG and also applies to Daimler Truck. It is intended to raise awareness of respectful collaboration as well as possible stumbling blocks, and shows what contribution each individual can make. The training is available to all employees worldwide and is offered in eleven languages.

The internal communication channels were also used under the umbrella of Daimler AG as it was to raise awareness among our employees: For example, on 21 March 2021, the international day against racist discrimination, attention was drawn to everyday racism on the Social Intranet under the heading "Allies against casual racism". At the same time, we called for support for others – in the workplace and in daily life.

Reporting on diversity at former Daimler AG, which at that time also included Daimler Truck, was recognized externally in 2021: Former Daimler AG took first place among DAX-40 companies in the 2021 Building Public Trust Award organized by management consultancy PriceWaterhouseCoopers. Based on a scientific analysis, a particular focus was on assessing stringency and credibility.

Dealing with violations of regulations and guidelines

GRI 103-3

Daimler Truck employees who have been victims of discrimination, bullying or sexual harassment, or who observe improper behavior by colleagues, can report such violations of policy to their supervisors, the HR department, our counseling service, their company health management service or the Works Council. We fully investigate all reported incidences and we also speak with the individuals involved and document these conversations. An additional point of contact was our anonymous Business Practices Office BPO whistleblower system. BPO deals with violations of laws, rules and regulations that pose a high risk to the company or its employees and can cause great damage – both in material terms, for example, in the case of theft, fraud or corruption, and also non-materially, for example, in the case of sexual harassment, discrimination and racism.

BPO whistleblower system

Health and Safety in the Workplace

GRI 103-1/-2 SDG 3

Whether ergonomic workplace design, health offers or safety qualifications: Our overriding objective, therefore, is to prevent workplace accidents and health risks and to maintain the long-term health of our employees. Our holistic health and workplace safety management system promotes both the mental and physical health of our employees.

Former Daimler AG offered its employees in Germany a comprehensive consultation with a specialist in occupational medicine. In addition, there were measures and offerings from the Company health management and counseling services. As part of former Daimler AG, the offerings and measures also applied to Daimler Truck, and they will be continued in the future.

Organization and responsibilities

GRI 403-4

Occupational health and safety issues throughout the Group are managed by the Health & Safety unit. It is part of Human Resources and led by the Medical Director of Daimler Truck Holding AG and Daimler Truck AG.

The specific occupational health and safety goals that are set for each location are based on an overall strategy that includes our occupational health and safety guidelines and occupational safety strategy, as well as the results of audits and reviews. Our managers are responsible for ensuring that all internal policies and legal requirements for occupational health and safety are complied with.

The major health and safety issues are also regularly discussed and decided upon with various committees, for example the Occupational Safety, Health and Environment Committee, and also with representatives of the Works Council and the management at all levels of the Company.

Health and safety issues are also regularly discussed and decided on in various committees, such as the Commission for Occupational Safety, Environment and Health, as well as with works council and company representatives at company levels. The health and safety strategy and performance are managed by the Labor Director, who is a board member, in cooperation with the Health & Safety unit. In addition, there were weekly Group and site crisis teams due to the COVID-19 pandemic.

Policies and guidelines

GRI 403-1/-8

The occupational safety strategy of Daimler Truck exceeds legal requirements in the design of workstations and processes. Uniform guidelines based on prevention are in place worldwide at Daimler Truck. The occupational health and safety guideline, as well as the guiding principles on occupational health and safety that were developed at former Daimler AG and also apply to Daimler Truck, serve to this end as overarching, internationally applicable Group regulations. They are based on international standards and national legislation, and emphasize the obligation of managers to act responsibly. At the same time, they underscore the personal responsibility of employees.



Our international Group Policy on Health and Safety in the Workplace A30 describes binding tasks, obligations, necessary committees and communication requirements for all controlled and consolidated Group companies. The policy also promotes the set-up, operation and continuous improvement of an occupational health and safety management system (OH&S) based on ISO 45001.

Different locations have their OH&S management system voluntarily certified by external companies in accordance with the ISO 45001 standard. The standards on carrying out the work described in the specifications also apply to external companies and their employees. We regularly check external companies to see whether they are meeting the standards – in some cases several times a year.

In 2021, all policies and requirements for occupational health and safety were reviewed by the document managers and adapted as required. For example, we expanded safety specifications for the procurement of work equipment to include the requirements for a battery factory. The inspection ensures consistently high safety standards when the hand-over to Daimler Truck AG took place – also for systems and processes.

Every five years at our own consolidated production locations, we check for the compliance of security standards with the Group policy and whether a functioning management system is in place. This is based on our internal due diligence.

Dealing with COVID-19

Against the backdrop of the COVID-19 pandemic, Daimler Truck's goal was to further curb the spread of the COVID-19 virus and keep business operations running. We implemented a comprehensive package of measures with our safety and hygiene rules, testing strategies and vaccination offers. The protective measures worked well. Thanks to social distancing and hygiene regulations, we have also succeeded in safeguarding existing medical care capability, and maintaining a wide range of health management services – increasingly in digital form due to COVID-19. With nearly 100% of all infections of employees, we can assume that the infection did not take place in the workplace.



In 2021, we raised awareness among employees of Daimler Truck worldwide, under the umbrella of former Daimler AG, and provided them with targeted instructions for specific measures and requirements to protect themselves from infection. With the introduction of the approved vaccines, former Daimler AG was able – in parallel with the vaccination campaign of the German government – to make a Company vaccination offer to eligible employees at the German locations.

The accident and emergency documentation system that was introduced under the umbrella of former Daimler AG and which also applies to Daimler Truck, was further developed in the year under review. The digital reporting process for crisis cases integrated in this system enables rapid recording of all COVID-19 infections among employees – and thus rapid potential contact tracing by the Company health management service or managers. By mapping chains of infection, we were able to contribute to restricting the spread of the COVID-19 pandemic at our Company in 2021.

The Company continues to take measures to contain the spread of the COVID-19 virus and actively communicates with its employees.

Risk management

GRI 403-2/-7/-9

Daimler Truck aims to ensure that accidents and health impairments do not occur at all among our employees. Our Health & Safety unit is therefore pursuing a preventive approach and evaluating the potential risks of workplaces and work processes at an early stage. For this purpose, under the umbrella of former Daimler AG, appropriate tools and risk assessment processes were defined and implemented locally. These tools and risk assessment processes will also continue to apply to Daimler Truck.

At Daimler Truck, we operate a safety risk management system at the Group's own production locations. These locations are audited approximately every five years and examined according to a standardized procedure to determine whether our Group policies on occupational health and safety are duly implemented as required.

Risk assessment is carried out in the following theme fields, among others:

- Safety and accident management and occupational safety organization
- Performance of hazardous work
- Hazards due to fire and explosion
- Risks due to machines and plants

Digital assessment of hazards

Following the spin-off from former Daimler AG, hazard assessment is an important tool with which Daimler Truck will continue to assess potential risks: We have digitalized parts of this risk management process with an online tool. The use of the online tool at sites in foreign countries depends on local and regulatory requirements. The tool is provided by the European Occupational Safety and Health Agency (EU-OSHA) and has been enhanced for our needs. This risk assessment is then used as a basis for automatically generating instruction documents.

Universal risk assessment

GRI 403-7

At Daimler Truck, we assess the risks of new facilities along the entire process – from the call for bids to the acceptance stage – in a standard way worldwide and in line with defined criteria. The assessments are based on our safety concepts, which suppliers implement in accordance with our requirement specifications. The planning departments are assisted by occupational safety specialists, from the initial idea to the standardized facility acceptance process. Hazardous substances are evaluated and approved as part of the risk assessment. We also assess the psychological and ergonomic stress of workplaces and the respective working environment.

In addition, we utilize an external-company management process whose fundamental components are the assessment of mutual risks and the development of appropriate measures on the basis of this risk assessment. We then monitor these measures by means of random checks. We also have an instructional video that teaches employees at external companies about work safety-related matters. Moreover since mid-2021, the assessment of risks that can arise during our cooperation with external companies, and the monitoring of the measures taken, will be digitized in the future and depicted in our risk assessment tool.

Holistic health management

GRI 403-1/-3/-6/-8

Daimler Truck relies on holistic health and occupational safety management. The focus is on preventive measures and offers, which we continuously review and develop. Our company health management system promotes both the mental and physical health of our employees. Daimler Truck offers its employees in Germany comprehensive advice on occupational medicine. This care is supplemented by the measures and services of the company health management and counseling services. Another key focus was concluding a “Group-wide general agreement on psychological health”. The aim of this measure was to maintain and promote the mental health of the employees in the face of increasing complexity and dynamic change in society and the working world. As part of former Daimler AG, the following offerings and measures also applied to Daimler Truck – and they will be continued in the future.

Promoting a healthy lifestyle

Daimler Truck wants to encourage its employees to develop healthy lifestyles and reinforce their sense of personal responsibility regarding their health. We promote this objective with the help of campaigns, counseling, and qualification offerings, as well as preventive, therapeutic, and rehabilitation measures. All of our production locations in Germany, as well as numerous international locations, have health centers on their premises or cooperate with health centers located near the plants.

Our healthcare centers and those operated by our partners offer our employees programs for the prevention and treatment of problems with their backs and joints, for example, as well as physiotherapy services. We also have a targeted training programs for management staff in which managers extensively analyze their own health-related behavior and develop a health-focused management style. Measures designed by the company health promotion program are scientifically monitored and evaluated.

In addition to promoting a healthy, sustainable and varied range of food, the focus is on reducing CO₂ emissions. For example, menus show the nutritional content per serving and the CO₂ footprint.

Ergonomics at the workplace

Daimler Truck has defined an ergonomics strategy and assessment method in a company-wide agreement.

The strategy includes the following principles and objectives: do not create workplaces that are hazardous to health, maintain the health and performance of our employees, and deploy employees in line with their profiles and abilities. Managers also take responsibility for the health of their employees.

In order to implement these principles and objectives, we focused on a number of areas of action and measures in the year under review – including the provision of a brochure with standards for ergonomic workplace design. Continuous redesign and improvement of ergonomically critical workstations. Employees with planning duties on workplace design and managers who provide information and raise awareness of ergonomics also help here.

We use an IT system to evaluate workstation ergonomics. This tool makes use of relevant data for the given workstation – e.g. weights of components, posture when performing different activities, and the degree of physical effort the employee needs to make when carrying out a certain task. Algorithms use this data as a basis for calculating the physical demands of the workstation in question. The result is shown as one of the traffic light colors. This helps us to quickly determine a workstation's potential for improvement and institute corresponding measures. We now use this traffic light system to evaluate all newly created workstations during the planning stage. In this way, we want to avoid workstations with associated ergonomic risks in advance. We also create workstation profiles that enable us to assign employees with physical limitations to jobs that correspond to their capabilities.

Occupational health care and social counseling

GRI 403-3

At Daimler Truck, occupational medicine includes programs and measures for the prevention of work-related illnesses and occupational diseases that promote health in the workplace. Moreover, we provide all employees with acute emergency healthcare – which includes the treatment of accident-related injuries. Acute and emergency medical care is also available to our temporary workers.

The advisory and coaching services offered by the in-house counseling service for employees and managers, as well as the management qualifications, were mainly provided in digital form in the year under review.

Health and safety in production

GRI 403-1/-8

Daimler Truck applies its modular safety concept for human-machine interaction in all production units. This concept ensures that the relationship between humans and machines is safe in all situations. The concept meets the legal requirements for the design and operation of systems and machines. This concept can be flexibly used regardless of whether a robot takes on an assisting or performance-supporting role or operates fully-automatically.

Review and control systems

GRI 103-3 **GRI 403-1/-2**

Daimler Truck regularly has its work processes reviewed and we document and transparently report all incidents.

Due in part to the COVID-19 pandemic, external companies were unable to conduct certification audits in the usual scope at various sites of former Daimler AG in 2021. To protect the workforce, we restricted the presence of external persons in the production areas to the minimum necessary for operations.

Irrespective of any external certification audits, every five years or so, we check whether the mandatory safety standards of our Group Policy on Health and Safety in the Workplace are being complied with at the Group's own production facilities, and whether a functioning occupational health & safety management system is in place.

In the year under review, we were able to evaluate the four truck production plants in Germany under the umbrella of former Daimler AG. In 2021, eleven further due diligence assessments of international truck production locations were also to be carried out – for the regions of Asia, Latin America and North America (powertrains) as well as the location in Turkey. These audits had to be postponed until a later date due to pandemic-related contact restrictions, travel restrictions and quarantine regulations, and they will be caught up with accordingly at Daimler Truck as an independent company.

Worldwide, Daimler Truck utilizes several accident documentation systems that generate standardized statistics while taking data protection regulations into account. The statistics are based on documented hours of attendance, lost days, and organizational structures. Among other things, this accident documentation makes it possible for us to identify the causes of accidents, the areas where accidents tend to occur, the pertinent tasks, and the equipment that causes accidents. In the year under review, Daimler Truck reported 1,103 (2020: 1,175, Daimler Truck AG Structure 2020) accidents.

Every accident is analyzed to explain how it occurred. The affected units are also required to initiate preventive measures. Data on accidents from which other sites can learn and derive measures is sent to occupational safety experts at all of our locations worldwide.

Awareness-raising measures

GRI 403-5

Under the umbrella of former Daimler AG, awareness was raised among employees regarding the topics of ergonomics and occupational safety. Videos, various information portals, or online training were increasingly used. This will be continued at Daimler Truck. New employees at Daimler Truck are instructed in an initial briefing and in a job-specific training session regarding safety-related aspects of their job. After that, they are required to participate in safety-awareness briefings that are held on a regular basis.

33 | Illness absence commercial department (in % of target working days)*

GRI 403-9

	2019	2020	2021
Daimler Truck North America	7.1	9.6	7.6
Detroit Diesel Cooperation	4.8	7.0	5.7
Mercedes-Benz do Brasil Ltda.	6.6	4.8	8.6
Mitsubishi Fuso Truck and Bus Corporation	1.1	0.8	0.6
Daimler Truck AG	8.4	9.6	9.6
Mercedes Benz Türk A.S.	1.8	3.2	2.2
Mercedes Benz Trucks Molsheim	6.1	9.7	9.5

* Only truck dedicated locations; figures do not include Bus or Financial Services employees.

34 | Illness absence administration department (in % of target working days)*

GRI 403-9

	2019	2020	2021
Mercedes-Benz do Brasil Ltda.	1.2	0.6	2.3
Daimler Truck AG	3.6	3.4	2.6
Mitsubishi Fuso Truck and Bus Corporation	0.9	0.7	0.8
Mercedes Benz Türk A.S.	2.6	2.1	2.3
Mercedes Benz Trucks Molsheim	1.9	2.0	1.6

* Only truck dedicated locations; figures do not include Bus or Financial Services employees.

35 | Accident frequency

GRI 403-9

	2020	2021
Occupational accidents	1,175	1,103
Accident frequency (Number work accidents with at least one day of absence per 1 million attendance hours)	9	8

36 | Absence from work due to accidents at work

GRI 403-9

	2020	2021
Loss of work time in hours due to work accidents	141,480	175,272
Loss of work time in days due to work accidents	17,685	21,909
Accident downtime (worldwide, number of lost days per 1 million hours of attendance)	135	159

37 | Fatalities due to accidents at work

GRI 403-9

	2020	2021
Number of employee deaths as a result of work accidents	1	0
Number of deaths of external employees as a result of work accidents	0	0



Human rights

GRI 103-1/-2/-3 SDG 4, 8, 17

Daimler Truck considers respect for human rights to be a fundamental component of responsible corporate governance. We expect our own business areas as well as business partners and suppliers to uphold human rights. We are committed to the United Nations (UN) Guiding Principles for Business and Human Rights and the National Action Plan for Business and Human Rights of the German Federal Government. Wherever appropriate and possible, we strive to work with industrial associations, organizations and competitors to promote the responsible sourcing of raw materials.

Key human rights issues and associated requirements for suppliers were addressed in the Declaration of Principles for Social Responsibility and Human Rights under the umbrella of Daimler AG as it was. Daimler Truck has adopted this Declaration of Principles. The relevant topics were identified on the basis of the provisions of the UN Guiding Principles. All units and supply chains related to key business activities in automotive and commercial vehicle manufacturing were prioritized.

The legal reference framework relevant to former Daimler AG encompassed all internationally recognized human rights – in particular the core labour standards of the International Labour Organization (ILO) and the International Bill of Human Rights. This relevant legal reference framework also continues to apply to Daimler Truck.

Organizational responsibility

GRI 103-2/-3

The center of competence for human rights at former Daimler AG was assigned to the Social Compliance department. For the implementation of the human-rights due diligence approach, the department of Daimler AG at that time worked closely with the specialist units responsible for operational implementation, in particular the procurement units.

With the spin-off from former Daimler AG, Daimler Truck transferred responsibilities for human rights to the ESG – Sustainability Management & Human Rights Compliance department in the Legal & Compliance division. The department will continue the approach to collaboration and implementation pursued by former Daimler AG.

[Compliance Management](#)

Our approach in the Group companies

GRI 103-1/-2/-3

The Social Compliance Management System (Social CMS) of former Daimler AG, which also applied to Daimler Truck during the year under review, includes a specific approach to a human rights-related risk assessment that was applied across all controlled Group companies. The goal was to identify the individual risk of the controlled Group companies. Country-specific factors, among others, were also taken into account. The topics of employee rights and diversity in particular have been confirmed as areas of action.

The Human Rights Respect System (HRRS) was the approach to implementing human rights due diligence at former Daimler AG. Accordingly, former Daimler AG examined, in a risk-based and systematic manner, whether human rights were respected in its own controlled companies and along its supply chains. In addition, in the context of the HRRS, it introduced numerous measures to avoid, and as far as possible end or minimize, any negative impact of its business activity on human rights throughout the world. At its core, this HRRS process consisted of a due diligence cycle with the four phases: risk assessment, program implementation, monitoring and reporting.

In the year under review, the topic of human rights was integrated for the controlled Group companies of former Daimler AG into the central, systematic risk analysis process. Risk-based packages of measures were assigned to the business units based on their evaluation and classification as a low, medium or high-risk unit. Responsibility for implementation lay with the local units. The packages of measures address all identified areas of action and define clear responsibilities for the implementation of the measures.

One of the packages of measures, for example, stipulated that a local diversity representative must be appointed in units where an increased risk of non-compliance with the human rights compliance field was identified. This should make it easier to address violations and enable remedial action to be taken through defined structures. Another measure, for example, was the requirement for web-based training on human rights for managers in high-risk markets.

This approach to implementing human rights due diligence also included Daimler Truck in the reporting period up to December 2021.

Daimler Truck will further integrate the system of former Daimler AG, comprising the Social Compliance Management System (CMS) and HRRS for its own controlled companies, bringing together and integrating them step by step into a uniform Human Rights Compliance Management System (Human Rights CMS). Starting with the identified risk areas, Daimler Truck carries out annual reviews of the companies of the Group and companies in which we hold a majority interest to identify human rights risks. In this context, we apply the two-stage process provided for in the Human Rights CMS, in which the advance classification is validated by a survey. Based on this risk classification, appropriate measures are defined and implemented for the relevant Group companies, which are also addressed along the supply chain. Packages of measures for all risk categories were comprehensively further developed in the year under review. In 2022, these will be introduced in our Group companies and companies in which we hold a majority interest on the basis of their individual risk classification.

Raising awareness of human rights

GRI 412-2

Raising awareness, informing, training: We initiate a variety of measures worldwide in our Group companies in order to ensure the best possible respect for and upholding of human rights.

Through the Integrity Code and the declaration of principles on social responsibility and human rights, former Daimler AG informed its employees of its principles on the subject of human rights and raised their awareness of the associated risks. Following the spin-off, these provisions are also binding for all our employees at Daimler Truck, and in the future, they will be imparted to all employees in web-based training.

This includes the obligatory web-based training module Integrity@Work, which was developed under the umbrella of former Daimler AG. This training course teaches employees the strategic and operational importance of human rights at Daimler Truck and explains its relevance in day-to-day working life. Depending on the specific tasks, new employees were required to complete web-based training courses during their induction process, in which human rights issues in their working environment were addressed at former Daimler AG. Newly appointed members of the Management Board of companies in which we hold a majority interest were also made aware of human rights issues. These training formats will also be continued at Daimler Truck.

[Tables: Compliance training programs](#)

Supply chain responsibility

GRI 102-9 GRI 103-1/-2/-3

The goal of Daimler Truck is to combine economic success with responsible action toward the environment, people and society – and to do so along the entire value chain. We purchase our raw materials, components and services from suppliers around the world. It is therefore clear: Our responsibility does not end at the factory gates. Our aim is for our supply chain also to be part of our sustainability efforts. So we expect our suppliers to adhere to ecological and social standards. Under the umbrella of former Daimler AG, requirements and measures had already been established for responsible procurement from suppliers and service providers. The requirements and measures outlined below applied to Daimler Truck as part of former Daimler AG until December 2021 and continue to apply since the spin-off.

Requirements placed on suppliers and service providers

Daimler Truck is committed to the responsible procurement of production and non-production materials and services.

In the year under review, Daimler Truck began with the creation of a uniform standard for all business partners and suppliers called Business Partner Standards. These have been derived from the two different standards which applied at former Daimler AG for suppliers (Supplier Sustainability Standards) and for Sales Business Partners (Business Partner Standards). These Business Partner Standards form the guiding principles for sustainable supply chain management. They define our requirements for working conditions, respecting and upholding internationally recognized human rights, environmental protection, safety, business ethics, and compliance.

Daimler Truck requires its direct suppliers and service providers to recognize these sustainability standards, to communicate them to their employees and to pass them on to their own suppliers in the upstream value chain and to require them to comply accordingly. We also expect them to monitor whether the minimum requirements are being met.

In addition to our Business Partner Standards, we also guarantee our sustainability requirements with direct suppliers by means of contractual agreements. For example, through our special purchasing terms and conditions, the Daimler Truck Special Terms, we require suppliers to establish processes for upholding human rights due diligence processes in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines and Principles. We reserve the right to monitor and audit these processes. Furthermore, every supplier is required to inform us about human rights risks and appropriate countermeasures and to disclose to us risk hotspots throughout its supply chain, if so requested.

Review of supply chains for production materials

GRI 103-1/-2/-3 GRI 407-1 GRI 408-1 GRI 409-1 GRI 414-1

In the assessment of human rights risks along the supply chain of production materials, special attention is paid to critical raw materials. Under the umbrella of former Daimler AG, the HRRS due diligence approach included both the Group companies as well as the direct suppliers and, risk-based, also the indirect suppliers. The critical raw materials identified on the basis of the preliminary risk analysis of former Daimler AG were examined in terms of their relevance to truck, touring coach and bus production. They were prioritized by relevance, and will now be gradually reviewed in greater depth. In recent years, the procurement units of the car, van, truck and bus segments, under the umbrella of former Daimler AG, have already reviewed some of the raw materials with an increased risk of human rights violations and defined suitable measures to minimize risks.

Before a potential order was placed, Procurement audited various, new suppliers on site in the year under review under the umbrella of former Daimler AG. Due to the COVID-19 pandemic, virtual audits also took place in some cases. During this review, questions were especially asked about social standards, including working hours, remuneration, occupational safety, freedom of employment and freedom of association. Such audits are even more thorough in high-risk countries in terms of upholding human rights and include a review of child labor as an integral element.

In the year under review, our on-site inspections of Daimler Truck's direct suppliers did not reveal any actual suspected cases of child or forced labour or any indications of violations of the right to collective bargaining or freedom of association.

Purchasing examined our existing direct suppliers as part of regular risk analyses under the umbrella of former Daimler AG. For this purpose, Procurement conducted an annual database search on sustainability and compliance violations in order to identify any possible violations early on based on current supplier data. The sustainability performance of existing suppliers was also assessed on a risk-based basis – using self-assessment questionnaires. Under the umbrella of former Daimler AG, its main suppliers, who represent around 70% of the annual procurement volume, were asked to complete the Drive Sustainability self-assessment questionnaire in the year under review. This self-assessment questionnaire is a standardized, industry-wide tool used by the European Drive Sustainability sustainability initiative to allow supplier evaluations to be compared. In the year under review, answering the questionnaire was a mandatory criterion for initial purchases. This process will be gradually rolled out globally for Daimler Truck in the following year.

If the database search or the on-site audits unearthed something suspicious, Procurement will initiate a more in-depth review. If any shortcomings are revealed, we then urge them to improve the processes involved.

If the supplier does not sufficiently remedy the deficient processes, we decide on the next steps to take on a case by case basis – In especially severe cases, these decisions are also made by management committees. As a last resort, this can cause us to discontinue working with a supplier. This process will also continue at Daimler Truck.

Since 2018, former Daimler AG has been conducting awareness and information measures for suppliers of production materials in various key countries together with the European Drive Sustainability initiative.

Moreover, an e-learning program for suppliers was piloted, which was also used for suppliers of Daimler Truck. Daimler Truck AG is an independent member of the Drive Sustainability initiative since the spin-off and will continue this program.

Conflict minerals

We rely on international standards and initiatives with respect to conflict minerals (i.e. the raw materials tin, tantalum, tungsten and gold – known as 3TG). That's why former Daimler AG was a member of the Responsible Minerals Initiative (RMI), which is committed to adhering to due diligence obligations along the supply chains of 3TG and other human rights-critical minerals. Their focus is on smelting and refining, as there is a mix of materials from different sources at this point of the supply chain. It is therefore important that the due diligence obligations in the supply chain are met before smelting takes place. This is the aim of the RMI's Responsible Minerals Assurance Process (RMAP). Daimler Truck is continuing this membership after the spin-off.

Service supply chain reviews

International Procurement Services (IPS), responsible for the procurement of services under the umbrella of former Daimler AG, assessed all new suppliers in high-risk countries and critical procurement areas with regard to social and environmental standards, business ethics and compliance with policies.

Based on the preliminary risk analysis at former Daimler AG, services were identified that were potentially critical in terms of human rights. Building upon this, a questionnaire was created in collaboration with a team of experts. This helped to uncover specific human rights risks of certain product groups and sectors. This provided former Daimler AG with transparency regarding risks and were able to initiate targeted status-quo analyses and to engage in dialog with relevant service providers. In the second phase of the risk assessment, suppliers underwent a due diligence audit. The processes described above will in future also be used and further developed at Daimler Truck in view of being relevant to truck, coach and buses.

The main objective of the audit is to establish the necessary transparency, identify risk hotspots and identify and implement suitable measures for minimizing risks. This HRRS risk analysis is integrated into the Daimler Truck Human Rights CMS and is an integral part of it.

To find out which service supply chains posed an increased risk of human rights violations, we assess the entire service portfolio using guiding questions. We repeat this risk mapping at

regular intervals in order to capture current developments and dynamically adjust our risk classification. We subject suppliers with increased risk to an intensive due diligence audit to check their integrity, uncover scope for improvement, and use actual cases to train our expectations with regard to holistic processes for safeguarding human rights and our Business Partner Standards.

In addition, the indirect purchasing unit checks existing service providers for their human rights compliance: We conduct an annual database search on sustainability and compliance violations in order to detect possible violations early on based on current supplier data.

If the database search unearths something suspicious, Procurement will initiate a more in-depth review. If the supplier does not sufficiently remedy the deficient processes, we will decide on the next steps for the individual case– In especially severe cases, these decisions are made by management committee. As a last resort, this can cause us to discontinue working with a supplier.

In addition to our own risk assessment, we use indices such as Transparency International's Corruption Perceptions Index (CPI). These help us to identify countries with an increased human rights risk in the area of services and to concentrate our measures on suppliers active there.

We place high demands on work service contracts at our German locations with regard to occupational health and safety, accommodation, remuneration, use of temporary workers, commissioning of subcontractors, and the prevention of any kind of false self-employment. These standards are relevant for all contracts that exceed a period of two months and are actually carried out on the business premises in Germany. All of the relevant work-for-hire contractors or service providers must sign a written declaration that they comply with these standards. Only if they fulfill this prerequisite can they receive purchase orders. An auditing team determines whether the standards are being complied with in Germany by selected suppliers.

In addition, we are holding 'Good Practice Sharing' workshops for service providers– also available online since spring 2020. Cross-functional teams from Procurement meet here with suppliers and exchange ideas with them in an open and constructive manner. We also want to use these workshops to raise awareness among our business partners of how to deal responsibly with the issue of human rights and explain to them what we expect of them here.

In the year under review, the supplier screenings for the indirect procurement area (purchasing for non-production material) at our direct suppliers did not reveal any definite suspected cases of child- or forced labor. No indications of any violations of the right to collective bargaining or freedom of association have been found.

Overarching Human Rights CMS

Daimler Truck will integrate the approach of former Daimler AG, i.e. the HRRS, the Social CMS for its own controlled companies, Supplier Sustainability Standards for suppliers, and Business Partner Standards for sales partners step by step into a uniform human rights compliance management system (Human Rights CMS) and consolidate it holistically.

In the year under review, Daimler Truck began to introduce the Human Rights CMS throughout the Group. In future, we want to monitor the implementation of the packages of measures through an annual effectiveness check within the scope of the Human Rights CMS. By doing so, we want to ensure the effectiveness of our human rights approach for Group companies and ensure the continuous further development of our methods and processes.

In addition, Daimler Truck began to make the necessary adjustments to the Human Rights CMS in the year under review in accordance with the requirements of the German Supply Chain Due Diligence Act (LkSG), which will apply from 2023.

Indications and suspected cases

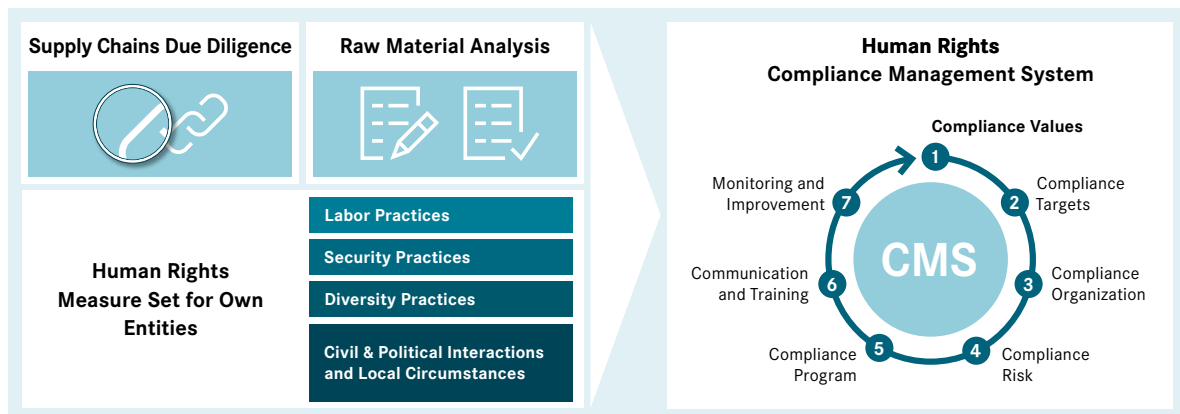
We consistently follow up on any indications of violations in the supply chain reported to us via the BPO whistleblower system or other channels.

Generally speaking, we initially gather all available information and ask the supplier or service provider and other parties to comment on the allegations. We then evaluate the issue and initiate appropriate corrective action. This may mean that we will work with the relevant supplier to solve the problem, or that we will terminate the business relationship.

Employees in the Group worldwide, as well as business partners and third parties can report breaches of regulations via the BPO whistleblower system. In the 2021 reporting year, a total of 21 major risk cases were newly filed for Daimler Truck. Of these, one BPO major risk case fell into the human rights category. This case was investigated by Group Security and closed with the result “without merit”.

BPO whistleblower system

38 | Das Human Rights Compliance Management System



APPENDIX

About this report

GRI 102-45/-50/-56

In this first Daimler Truck Sustainability Report, we report on the key topics and effects of our business activities in 2021. This report is available as a PDF file. The PDF combines the entire content in a single document. Searched topics and information can be accessed directly section by section. The PDF file also contains links to additional online information.

New Group structure

The former Daimler AG decided in 2021 to spin off and hive down the commercial vehicle business (“Project Focus”). The implementation of these measures resulted in a realignment of the company. The separation aims to improve the conditions for the implementation of the strategy of the new Daimler Truck Group.

The commercial vehicle business concentrated in Daimler Truck AG was completely separated from the Daimler Group and transferred under the umbrella of Daimler Truck Holding AG to an independent group that has its own Financial services company. Trading in the shares of Daimler Truck Holding AG began on the Frankfurt Stock Exchange on 10 December 2021.

The information provided in this Sustainability Report applies to the entire Daimler Truck Group. The Daimler Truck Group includes Daimler Truck Holding AG and its subsidiaries. The calculations take 100% of all of the Group’s production-related companies in which we hold a majority interest into account (a control approach). Daimler Truck Holding AG is the parent company of the Daimler Truck Group and has its headquarters in Stuttgart (Germany). It carries out controlling and governance functions and provides services for the Group companies. As the parent company, it also defines the Group’s strategy, makes strategic decisions for business operations, and ensures the effectiveness of organizational, legal, and compliance-related functions throughout the Group. And Daimler Truck AG combines the activities of Daimler Trucks & Buses. It is a fully-owned direct subsidiary and the lead operating company for the commercial vehicle business, along with related financial services. Daimler Truck Financial Services supports the sales of the Daimler Truck Group brands worldwide with tailored financial services.

The reporting period corresponds to our financial year, which runs from January 1 to December 31.

GRI Standards: “Core” option

GRI 102-54

In 2006, Daimler joined the multi-stakeholder network of the Global Reporting Initiative (GRI), where it initially was an organizational stakeholder. It later became a Gold Community Member and is now a member of the GRI Community. Daimler Truck will continue this membership. This report has been prepared in accordance with the GRI Standards: “Core” option created. In order to meet the transparency requirements of our stakeholders, reporting goes beyond the required topics and topic-specific information in several places and is therefore more comprehensive than required by GRI standards: “Core” option. The comprehensive GRI content index, including references and omission declarations, can be found in a separate PDF document.

[GRI index](#)

What has changed in this report?

GRI 102-47/-48/-49

This report is based on the sustainable business strategy of the Daimler Truck Group, hence the Daimler Truck Holding AG and its subsidiaries. The main part is based on the ESG (Environment, Social, Governance) system. The Reporting unit provides a detailed description of the goals, due diligence and specific management approaches, measures, and achievements of 2021 according to relevant standards and frameworks such as GRI and the Sustainable Development Goals of the United Nations. The overarching management of our sustainability activities is described in the Sustainable corporate governance section. This section also covers all relevant compliance information and partnerships in politics and society. In the section on the environment, the topics of climate protection, air pollution control and resource conservation are summarized and dealt with in the context of the Company’s own products, production and supply chain. The Social section deals with road safety, the company’s own employees and the protection of human rights. We conducted a comprehensive materiality analysis in 2020 in order to determine which sustainability issues are particularly relevant for Daimler Truck as part of former Daimler AG and its stakeholders. The analysis consisted of the following components: A comprehensive analysis of

competitors, media reports, regulatory requirements and capital market-relevant information, an SDG impact assessment, a broad-based online stakeholder survey, and expert interviews. We examined the sustainability topics resulting from the analysis with regard to the course of business for Daimler Truck in order to define the topics for this sustainability report and to use this as a basis for the further development of our sustainable business strategy.

[Materiality analysis](#)

Reporting principles

GRI 102-46

We accept our responsibility for the content of the Sustainability Report 2021. To the best of our knowledge, we have compiled the information in the Sustainability Report 2021 free of material errors or omissions, while taking into account the type of business, the respective information processes, the type of information, and the measurement, calculation, and estimation measures used. In order to ensure the completeness of the information, we made corresponding omission statements in accordance with the GRI requirements wherever the available data may have been insufficient.

We consider the information that is presented on this basis to be balanced, appropriate, and complete with regard to the material topics. Facts that are considered relevant in accordance with the legal definition of materiality are part of the Non-Financial Declaration 2021.

[Non-Financial Statement, Annual Report Daimler Truck 2021](#)

Non-Financial Declaration (NFD)

The non-financial statement of the Group was published in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch, HGB). This applies to Daimler Truck Group (Section 315 of the German Commercial Code, HGB). The auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, has conducted an independent audit of the non-financial declaration of the Group, to obtain a limited assurance engagement. The content of the non-financial statement reviewed accordingly is also included in this 2021 Sustainability Report.

[Non-Financial Statement, Annual Report Daimler Truck 2021](#)

Reporting process and quality assurance

We conduct detailed benchmark analyses and we also have an internal process for reviewing our targets, measures, and focus topics.

Data collection and reporting boundaries

Economic data

The information about economic coherencies that is presented in the Sustainability Report for 2021 is based on data from the Daimler Truck Annual Report 2021. The financial statements of Daimler Truck Holding AG and the combined management report for Daimler Truck Holding AG and the Group for 2021 were duly audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, to obtain a limited assurance engagement.

[Annual Report Daimler Truck 2021](#)

Employee data

The facts and figures in the Employees section correspond to the facts and figures in the Daimler Truck Annual Report 2021. The reporting on human resources data is based mainly on the "HR eDATA" electronic human resources planning and reporting tool, which combines the data of all consolidated companies within the Daimler Truck Group. These are supplemented by data from the "HR ePARS" HR planning and reporting tool. The texts and graphics in this section indicate whether the data refers to the entire Group or only parts of it.

Collection of production-related energy and environmental data

The data in this report is based on the Daimler Truck Group structure as at the reporting date of 31 December 2021. All production sites of operationally controlled Daimler Truck Group companies are included. After the takeover of operational control by the Daimler Truck Group, new locations will be fully taken into account by the next reporting year at the latest. It does not include the locations of Daimler Truck Financial Services. The published data was collected in spring 2022 and updated retroactively. For this reason, the timelines may differ from those of previously published data. Overall, the production-related energy and environmental data for 2021 relate to 42 production sites and their satellite sites. In the 2021 reporting year, we included 6 new locations in the scope of the report.

Specific environmental and energy data

Resource consumption and emissions are largely dependent on the number of units produced. This is why we calculate specific values for the individual Truck and Buses business divisions. For this purpose, the number of vehicles of the division manufactured in the operationally controlled plants is related to the corresponding data of the production plants. We measure the specific values of the Trucks and Buses units according to the divisional allocation that has been in force since December 2021. The specific data gained in this way can only serve as general benchmarks, because it does not take into account the different ways in which the vertical integration of production has developed, the diversity of products, or the special features of the production network, which in some cases extends across divisions.

CO₂ calculation

GRI 305-1/-2/-5

Daimler calculates and documents its CO₂ emissions in accordance with the 2004 Corporate Accounting and Reporting Standard of the Greenhouse Gas Protocol Initiative in accordance with Scope 1 and 2. Scope 1 and Scope 2 emissions are reported in accordance with the Control approach of the Greenhouse Gas Protocol (GHG) Protocol.

Documented are all direct CO₂ emissions from our company's own sources (Scope 1), indirect emissions resulting from the generation of the purchased electricity and district heat (Scope 2).

- **Scope 1:** We calculate our direct emissions from the combustion of fuels, heating oil, natural gas, liquefied petroleum gas, and coal with fixed CO₂ emission factors as specified by the World Business Council for Sustainable Development (WBCSD) or the German Emissions Trading Office (DEHSt).
- **Scope 2:** We calculate the indirect emissions of district heating and electricity from external sources, differentiated by time and region. Since 2016, CO₂ accounting has been carried out using the "market-based" accounting approach. This calculation is based on the guideline of the Greenhouse Gas Protocol Initiative for determining Scope 2 emissions, which was published in 2015. For the assessment of "market-based" emissions, we determine the CO₂ emission factors of the local electricity rates or power companies at our worldwide locations. Where such information is not available, we continue to use the current average emission factor published by the International Energy Agency (IEA) for the country in question or according to the Environmental Protection Agency (EPA) for the United States. For the sake of comparison, we also publish the CO₂ emissions of all our locations according to the "location-based" method, which takes only country-specific emission factors into account.

Editorial note

GRI 102-51/-52

Our last Sustainability Report was published as part of Daimler AG on March 29, 2021, under the title "SpurWechsel – We're Changing Lanes – Daimler Sustainability Report 2020". The current Sustainability Report will be published on 8th June 2022 with the title "Sustainability Report 2021". Our next report is scheduled for March/April 2023.

Forward-looking statements

This document contains forward-looking statements that reflect our current views about future events. The words "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 and tariff regulations; a shift in consumer preferences towards smaller, lower-margin vehicles; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize our production capacities; price increases for fuel or raw materials; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization 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 we describe in the Annual Report in the section titled "Risk and Opportunity 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.

Contact for the report

GRI 102-53

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GRI index

GRI 102-55

This report has been prepared in accordance with the GRI Standards: “Core” option created. In order to meet the transparency requirements of our stakeholders, reporting goes beyond the required topics and topic-specific information in several places and is therefore more comprehensive than required by GRI standards: “Core” option. We show relevant indicators directly in the texts and grouped in the GRI index.

You can find the GRI index here:

 [GRI index](#)

Imprint

GRI 102-1/-3

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Further information on sustainability at Daimler Truck can be found at

➔ www.daimlertruck.com/sustainability/