

TRATON



TRATON Green Finance Framework

October 2025



INTERNATIONAL



Truck
Bus



Christian Levin,
Chairman of the Executive Board and Chief Executive
Officer at TRATON SE, Chief Executive Officer at Scania,
Chair of the ACEA Commercial Vehicle Board in 2025

“TRATON is committed to driving the transformation of commercial transport through sustainable innovation. With our Green Finance Framework, we align our funding strategy with global climate goals and offer investors a transparent, forward-looking platform to support the transition to battery-electric mobility.”

TRATON GROUP

Transforming Transportation Together. For a sustainable world.

The TRATON GROUP¹, with its Scania, MAN, International, and Volkswagen Truck & Bus (VWTB) brands, as well as TRATON Financial Services, is one of the world's leading commercial vehicle manufacturers. The Group's portfolio consists of a wide range of light, medium and heavy trucks, buses, and light-duty commercial vehicles, as well as the sale of spare parts and customer services. This extensive product range enables TRATON to meet various transportation needs across different industries.

The TRATON GROUP systematically shifts investments from conventional technology such as Internal Combustion Engines (ICE) to alternative drive systems, thereby continuing to expand its product and service portfolio and supporting customers in switching to Battery Electric Vehicles (BEVs). As BEVs are key to combating climate change, yet come at a premium, TRATON supports customers with tailored financing solutions for BEVs through TRATON Financial Services to expedite the shift to sustainable, connected transportation.²

Rationale for Green Finance

Electrification and the development of BEVs will become paramount to reach the UN climate targets. By combining the strategic commitment of TRATON to substantial investments in electromobility, this Green Finance Framework invites investors to support TRATON GROUP and participate in this exciting journey of positive transformation within the commercial vehicle industry.

¹ Unless otherwise stated, the terms 'TRATON' and 'Group' used in this document refer to the TRATON GROUP.

² TRATON (2025): "Digitalization and connected trucks", www.traton.com.



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TRATON SUSTAINABILITY STRATEGY

Together with its brands, TRATON is intensively working on its purpose: *“Transforming Transportation Together. For a sustainable world.”* This commitment to sustainability is reflected in the TRATON strategy and corporate values. The Group’s strategy, the *“TRATON Way Forward”*, is based on a long-term vision that outlines how TRATON addresses challenges and expected changes in the transportation and logistics industry. The *“TRATON Way Forward”* strategy is built on four pillars: (i) Responsible Company, (ii) Value Creation, (iii) TRATON Accelerated! and (iv) Strategy Execution. As part of this Green Finance Framework, the first pillar is emphasized, prioritizing responsible behavior in all aspects of operations.

“Responsible Company” in the TRATON strategy

This pillar guides TRATON in its commitment to act in a sustainable and responsible manner. TRATON is strongly focused on achieving its environmental ambitions and strengthening sustainable conduct towards people, employees, customers, suppliers, and strategic partners. To uphold responsible conduct, the Group also adheres to ethical principles in corporate governance.



Decarbonization

Reduce greenhouse gas emissions across the value chain in line with the Paris agreement



Circularity

Decouple the use of resources from our business growth



Human Rights

Respect human rights and enable a just transition

TRATON Joint Impact Areas

To stay focused on the most material topics and to use its resources in a manner that creates the largest impact, three Joint Impact Areas have been identified by TRATON: **(1) Decarbonization**, **(2) Circularity**, and **(3) Human Rights**.

(1) Decarbonization

TRATON is committed to reduce greenhouse gas emissions across the value chain in line with the Paris agreement.

Road transport alone accounts for 12% of global greenhouse gas (GHG) emissions, with 40% of that coming from road freight, underscoring the urgent need for transformative change in the sector.³ To curb emissions, rapid electrification, stricter vehicle efficiency standards, improved logistics and operational efficiency are all essential. While governments are responsible for setting targets and implementing policies, corporate leadership is vital to drive innovation, scale up the BEVs offering, foster collaboration across industries, and establish best practices.

Decarbonizing heavy-duty transport through electrification requires the development of a wide range of battery electric vehicles, a significant increase in renewable electricity supply and extensive upgrades of the electrical grid infrastructure. TRATON can create ripple effects by providing solutions, fostering collaboration and ensuring that advancements benefit the entire sector – this requires significant financial investments.

TRATON defined four Action Areas to reduce emissions in (i) own operations, (ii) products use, (iii) supply chain, as well as (iv) development of partnerships and working beyond value chain to accelerate the transition of the transport sector.

Since more than 96%⁴ of TRATON total emissions are connected to product usage, the Group’s primary focus is on the deployment of battery electric trucks and buses as the

³ Hanna Ritchie, Pablo Rosado and Max Roser (2020): “Breakdown of carbon dioxide, methane and nitrous oxide emissions by sector”, www.OurWorldinData.org.

⁴ Calculation based on TRATON Annual Report 2024 p. 257.

most impactful lever to decarbonization. To accelerate adoption and scale up, all TRATON brands are expanding their electric vehicle portfolios and providing related services. As a complementary solution, TRATON also offers options for their customers to achieve reductions in GHG emissions through improving energy efficiency across the entire portfolio and providing products suitable for biomethane and other biofuels use.

Supply chain emissions make up less than 3%⁵ of TRATON total GHG emissions. However, the Group has identified key materials with significant climate footprints, including iron, aluminum, steel, and battery materials such as nickel, cobalt, and lithium. Building on the efforts within its individual brands, the active collaboration across the Group ensures that these critical materials are sourced in a sustainable and responsible manner.

5 Calculation based on TRATON Annual Report 2024 p. 257.





Battery electric vehicles – leading the way for low-emission mobility

Guided by the TRATON Sustainability Strategy and the three defined Impact Areas, the TRATON brands set their priorities individually, clearly focusing on battery-electric drive systems and leading the way for low emission mobility.

According to the International Council on Clean Transportation, battery electric vehicles outperform their diesel, hydrogen, and natural gas counterparts in reducing GHG emissions over their lifetime. 2021 model-year vehicles produce at least 63% lower lifetime emissions than diesel powered models, despite the EU electricity grid not being fully renewable as of today. However, most emissions from trucks and buses come from fuel use, not manufacturing, so the greater efficiency and cleaner energy use of BEVs offsets their higher production emissions. As the power grid becomes fully renewable, BEV emissions could drop by up to 92%.⁶

Battery technology and integration in electric commercial vehicles are at the center of the strategic focus at TRATON. Thus, Scania opened its own battery assembly plant in Södertälje, where cells are being assembled in modules and onwards into battery packs for heavy-duty commercial vehicles. Further, MAN is the first commercial vehicle manufacturer in Germany to have its own battery packaging facility where assembly started in April 2025 (capacity of up to 100,000 high-voltage battery packs annually).

Already today, TRATON offers BEV products across major applications and weight classes.



Scania electric truck
(25 P XT)



MAN electric truck
(eTGX)



MAN electric bus
(Lion's City E)



MAN electric van
(eTGE)



International electric
truck (eMV)



International electric bus
(IC bus CE series)



VW e-Delivery truck
(e-Delivery)



VW e-Volkswagen bus
(e-Volkswagen)

⁶ Adrian O'Connell, Nikita Pavlenko, Georg Bieker, and Stephanie Searle (2023): "A comparison of the life-cycle greenhouse gas emissions of European heavy-duty vehicles and fuels", www.theicct.org.

Science-Based Targets initiative

Two brands, Scania and MAN, which represent more than two thirds of the Group's annual sales volume (FY2024), have approved targets by the Science-Based Targets initiative (SBTi). In 2020, as the first ever heavy commercial vehicle OEM, Scania committed to SBTi. In 2024, new interim targets for 2032 compared to 2022 levels were set:

- 50% reduction in Scope 1 and 2 emissions (absolute target) and
- 45% reduction in Scope 3 use phase emissions (intensity target, per driven km WtW).

However, these targets are not SBTi approved, as the Automotive Standard pathway is still under development by SBTi.

Furthermore, MAN has committed to a reduction by 2030 compared to 2019 levels of

- absolute Scope 1 and 2 GHG emissions by 70%,
- scope 3 GHG emissions by 28% per vehicle km travelled from the use of vehicles sold.

The remaining TRATON brands, operating in markets with an absence of clear emission reduction pathways for the heavy-duty transport industry as well as insufficient enabling conditions, have also established internal GHG reduction targets.

Charging ahead

In addition to investing and promoting BEVs, TRATON is advancing the development of a European charging infrastructure. Examples include investments in the Milence joint venture and the new TRATON Charging Solutions service unit as well as MAN Charge&Go as a brand-independent, public truck charging service in Europe.

Milence, for example, together with core peers, aims to build at least 1,700 green charging energy points across Europe and is the first operator to be contracted directly by TRATON Charging Solutions, a new TRATON service entity, to accelerate charging access for its brands' customers. Being an one-stop shop for a seamless charging experience across currently twenty European countries, this synergy project allows MAN and Scania to share generic capabilities and halve the costs.

Only if charging infrastructure is expanded, companies will look to increase the number of electric vehicles. As Milence and TRATON Charging Solutions work on making charging more accessible throughout Europe, the North American brand International established a cross-industry coalition with core peers to do the same in the United States. Launched in 2024, the so-called 'Powering America's Commercial Transportation' (in short



PACT) is the unified voice for education and advocacy to accelerate the construction of nationwide infrastructure for medium- and heavy-duty zero-emission vehicles.

In addition to public charging initiatives, TRATON and its brands are also developing projects to establish depot-based charging infrastructure. Strong examples of these successful collaborations include Erinion, as a subsidiary of Scania, InCharge Energy and Quanta Services partnering with International as well as SBRS and Heliox/Siemens working together with MAN.

Financial Services and the future of transport

TRATON focusing on BEVs and the build-up of infrastructure aligns with industry expectations. The consultancy “Strategy&” forecasts, that battery-electric commercial vehicles will generate higher economic returns from 2025 onwards versus their combustion engine counterparts, with a 26-34% cost advantage by 2030.⁷ As BEVs are currently associated with higher acquisition costs, TRATON Financial Services supports the ramp-up of BEV trucks with attractive financing for customers – which are envisaged to be flexibly refinanced with this Green Finance Framework.

TRATON also offers solutions for customers who are concerned about higher upfront costs for BEVs, infrastructure investments, or declining residual values. Truck-as-a-Service (TaaS) reassesses the traditional ownership concept by using a subscription-model – logistics companies only pay for the (BEV-)truck, when they use it, for example, with a fixed price per kilometer. In collaboration with Scania’s joint venture JUNA, TRATON offers a holistic package that includes the vehicle, repair, maintenance, insurance, as well as digital and electric services, making the transition to electromobility easier and less risky.

(2) Circularity

The transport sector, especially vehicle production and use, is a major consumer of resources. This highlights the importance of operational efficiency and the electrification of the TRATON fleet, as electric vehicles not only have lower emissions than ICE vehicles but also reduce the resources used across the product lifecycle. Electric vehicles, while significantly less resource-intensive during use phase, rely on many critical materials in battery production. The use of recycled materials, circular design and services are at the heart of avoiding and reducing virgin materials use and associated negative impact on nature. Therefore, electrification enables decarbonization and circularity – reducing emissions, resource consumption, and increasing renewable energy use.

TRATON GROUP has defined the following Action Areas to decouple resource usage from business growth:

- a) **Reduce resource consumption and waste.** This Action Area focuses on enhancing resource efficiency, minimizing waste and resource consumption during the entire vehicle lifecycle, with a special focus on the Group’s own operations. To support this, the brands continuously seek innovative solutions in design and production aimed at optimizing efficiency and significantly reducing waste. This is not only critical for sustainability but also plays a key role in improving affordability for TRATON customers by lowering production costs. Further, waste reduction is also embedded in the TRATON Code of Conduct for suppliers and business partners.
- b) **Reuse, recycle and renew content.** In this Action Area, TRATON aims to source materials with recycled and renewable content, while also integrating reused parts into its vehicles. Through close collaboration, TRATON aims to source more sustainable materials and increase the share of recycled and renewable content. Achieving this requires strong cross-functional collaboration to ensure the successful incorporation of reused parts and higher recycled material content into designs. Additionally, TRATON is working toward improving traceability of material composition, allowing the Group to transparently communicate the sustainability of its products to customers. To support these efforts, suppliers and business partners are asked to prioritize the use of recycled materials, share recycled content data upon request and commit to circularity in line with the TRATON Code of Conduct.

⁷ Strategy& (2022): “The dawn of electrified trucking: Routes to decarbonizing commercial vehicles”, www.strategyand.pwc.com.

c) Optimize the lifetime and utilization rate. To optimize the lifetime and utilization rate of vehicles, TRATON is integrating circular design principles from the beginning of the design process in the TRATON Modular System (TMS). TMS is a cross-brand development strategy that enables TRATON companies to jointly build trucks using standardized modules, shared interfaces, and harmonized engineering processes to increase efficiency, sustainability, and innovation. TRATON is also offering the remanufacturing and sale of spare parts within the brand's circular service business. It is a priority for the Group to scale up remanufacturing services through cross brand collaboration. For example, MAN is rolling out repair centers for batteries across Europe and has inhouse remanufacturing operations.

d) Develop business models and partnerships. To advance as a more circular company and increase its use of renewable and recycled materials, as well as scale up circular services, collaboration both within the Group and with external partners is essential. TRATON is focused on strengthening partnerships across the entire value chain, including suppliers, customers, governments, and even competitors, to collectively create a more circular and sustainable transport system. These partnerships are key to driving innovation, sharing resources, and overcoming challenges, enabling TRATON to transform its business models and achieve lasting impact. For example, TRATON is partnering with suppliers to scale up remanufacturing services.

Beyond our core focus on BEVs, TRATON also integrates broader sustainability considerations – including biodiversity – into its strategic approach. As a recent example, TRATON provided some sector-specific data to the World Wildlife Fund (WWF) Sweden for a science-based study to explore nature-related interdependencies in the commercial vehicles industry. The WWF Sweden-authored study highlights how businesses face risks through their operations and supply chains, including increased input costs, reputational impacts, and geopolitical exposure, while also identifying opportunities to improve resilience and operational efficiency. It emphasizes the importance of collaboration across the value chain and points to solutions such as battery recycling, sustainable sourcing, and innovation to mitigate pressures on nature and biodiversity loss. The findings of the study will enable TRATON to start developing an approach to manage and mitigate impacts and dependencies on nature.



(3) Human Rights

TRATON is committed to respecting human rights and ensuring a just transition.

The Group is committed to complying with applicable national and international human rights legislation and, hence, acknowledges the International Bill of Human Rights and has joined the UN Global Compact demonstrating its commitment to human rights principles and environmental protection. TRATON strives to operate in line with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and international labor standards such as the International Labor Organization (“ILO”) Declaration on Fundamental Principles and Rights at Work. Examples of these initiatives include the TRATON Diversity and Inclusion Commitment as well as a target for women in management (30% by 2029)⁸. Further work is aimed at understanding the impacts in its own operations and value chain, including the social dimension of the green transition. TRATON places strong focus on the supply chain and works closely with its own brands and partners to create a transparent, responsible and resilient value chain.

Governance at TRATON GROUP

As a globally active company, TRATON assumes its social responsibility to its employees, its customers, business partners, investors, and the general public. This responsibility includes complying with applicable laws, respecting ethical principles and acting sustainably.

Sustainability Governance Structure

The governance of sustainability topics is organized through various boards, working groups, and reporting streams to ensure full alignment and the involvement of all relevant parties. The Supervisory Board oversees these activities. In addition to the ESG reporting structure, the Governance, Risk and Compliance (GRC) organization plays a critical role in ensuring integrity across TRATON.

The TRATON Sustainability Board (TSB) – comprising an extended Executive Board, Heads of Sustainability at TRATON GROUP and all brands, as well as the Head of ESG – serves as primary channel through which the central Sustainability function at TRATON reports directly to the Chief Executive Officer. The TSB sets the overall direction and ambition level and approves commitments, group targets, and binding regulations.

The Group Sustainability Alignment Meeting (GSAM) consists of the Heads of Sustainability at TRATON and all brands as well as several relevant representatives of TRATON functions, including Treasury. All commitments, Action Areas, targets, binding and non-binding regulations are aligned in GSAM before being presented to the TSB. The regular meetings also serve for the communication between participants on potential environmental or social issues and risks.



The Sustainability Leadership Group (SLG) consists of the Heads of Sustainability at TRATON and all brands. The SLG acts as the responsible interface to the brand sustainability functions. It aligns decisions with relevant Group, entity, and brand functions. Treasury is part of the SLG in relation to the Green Finance Framework, respective issuances of Green Debt Instruments or its reporting.

⁸ Targets related to gender representation in management, as outlined in the TRATON Annual Report and this Framework, do not apply to TRATON US's subsidiaries (e.g. International Motors, etc.). Statements in the Annual Report and this Framework apply only if they do not violate the applicable law, including the laws and regulations of the United States of America. Our ability to achieve these and other goals, targets and aspirations described in this report, either at all or in a timely manner, is subject to a variety of factors, including evolving laws, regulations and other demands in the various jurisdictions in which we operate. We may update or rescind the goals, targets and commitments described in this report in the future as we deem necessary or appropriate.

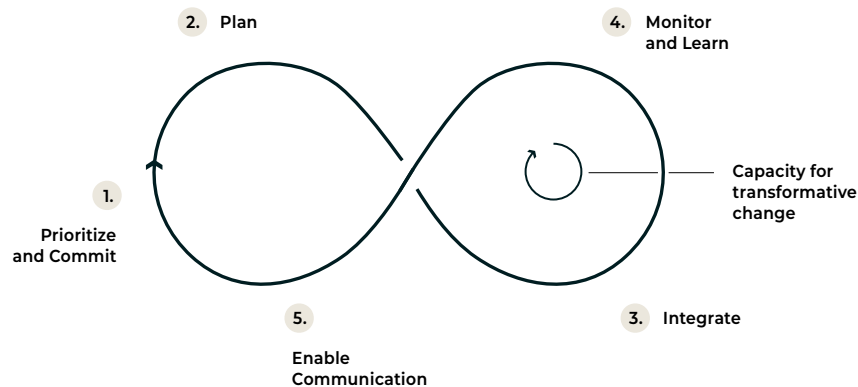
TRATON Sustainability GROUP Policy

TRATON developed the TRATON Sustainability GROUP Policy, which is applicable since October 2025. The policy enables the Group to set its own ambitions and priorities while also meeting stakeholder expectations and requirements. This policy defines the sustainability management model, the governance structure, and the roles and responsibilities for ensuring cross-brand collaboration at TRATON in terms of sustainability.

TRATON Sustainability Management Process and Guidelines

The TRATON sustainability management process outlines how the Group translates its sustainability purpose and ambitions into action and results within the Group.

The sustainability management guideline provides five steps and connects the efforts to set Group commitments and targets to the integration of sustainability into brands and functions.



The commitments to the three Joint Impact Areas are translated into actions through setting:

- Group-level targets, which shall be considered in all relevant decision-making, including in brands and functions.
- Group-level binding policies and procedures (e.g. standards, minimum requirements), which shall apply in all relevant decision making in the specified area.
- Group-level non-binding guidance (e.g., recommendations, handbooks), which can be applied on a voluntary basis.

All functions are aware of their impact on the Group targets and relation to Group requirements, ensure alignment to these, and request the information needed to act and reach the targets.

Overarching Management Policies and Code of Conducts

TRATON has overarching policies and concepts in place that provide the foundation for a consistent and integrated approach to decision-making on material sustainability measures across the Group.

GROUP policies regulate substantial topics to protect employees and the organization, avoiding risks, securing reputation and the Group's assets. TRATON GROUP policies are reviewed at least once a year and are audited annually by the TRATON Corporate Audit department.

External Sustainability Ratings

Sustainability ratings provide an independent analysis and an outside-in perspective, thus helping companies to view their own sustainability performance against their peer group. They serve as proof that a company has incorporated the concept of sustainability and act as the basis for decisions made by customers and investors. TRATON has been rated by the agency ISS ESG with a rating of B- (on a scale of A+ to D-) and is rewarded with “Prime” status for its sustainable value creation efforts in the machinery sector (as of June 2025). For updated and current ESG ratings please visit the TRATON Sustainability homepage.



TRATON GREEN FINANCE FRAMEWORK

This Green Finance Framework (as amended, updated and/or replaced from time to time) has been developed in accordance with the Green Bond Principles (GBP) 2025 established by the International Capital Market Association (ICMA), the Green Loan Principles (GLP) 2025 established by the Asian Pacific Loan Market Association (APLMA), Loan Market Association (LMA) and the Loan Syndications and Trading Association (LSTA) as well as with the report “Developing a Framework for Sustainable Securitization” from 2022 issued by the European Banking Authority (EBA).

TRATON may under this Framework issue or obtain the following Green Debt Instruments: Green Bonds, Loans, Schuldscheins and Asset Backed Securities (collectively Green Debt Instruments). This Green Finance Framework is consequently aligned with the following core components of the GBP and GLP, as well as the recommended External Review component:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting
5. External Review

S&P Global Ratings will provide a Second Party Opinion on this Green Finance Framework, which will be made publicly available at the TRATON website.

Use of Proceeds

Proceeds from a TRATON issuance of Green Debt Instruments will exclusively be used to finance and/or refinance, in whole or in part Eligible Green Assets and Projects within TRATON GROUP, its brands, subsidiaries, or joint ventures⁹. Eligible Green Assets and Projects will promote environmental and societal benefits.

Eligible Green Assets and Projects

means such investments that are from time to time validated and selected by the Green Finance Committee (the “GFC”) to be eligible for financing by Green Debt Instruments under this Framework. Eligible Green Assets and Projects financed by Group brands or Group companies with separate green finance engagements will be excluded from financing under this Framework.

The proceeds raised under this Green Finance Framework can be applied towards assets, projects, capital expenditures, R&D, financial services loans and leases as well as operational expenditures that increase the value or lifetime of Eligible Green Assets and Projects, according to the eligibility criteria set out below in the section Category of Eligible Green Assets and Projects (the Eligibility Criteria).

To ensure that all Eligible Green Projects and Assets provide environmental benefits, TRATON will confirm that they meet the Eligibility Criteria set out in the Eligible Green Category below. Conscious of the importance of a common definition of sustainable activities, the Eligible Green Category is mapped to the relevant UN Sustainable Development Goals as well as GBP and GLP categories and the EU Taxonomy environmental objectives.

⁹ Only the value of Eligible Green Assets and Projects (as defined in this Framework) within joint ventures can be eligible for Green Financing with Green Debt Instruments.



In addition, all BEVs produced by TRATON brands make a significant contribution to climate change mitigation. Thus, the technical screening criteria under EU Taxonomy Regulation are met, with the exception of the Do no significant harm (DNSH) criterion of Pollution Prevention and Control. Moreover, some parts of the DNSH criteria are still subject to interpretation uncertainties and could lead to changes in the reporting if they are subsequently clarified by the EU. Applying the EU Taxonomy to sites outside the EU also presents challenges due to the different jurisdictions. That said, the minimum safeguard requirements are met as well. TRATON latest assessments can be found in the latest Annual Report and will be part of the Green Finance Report.

Potential negative risks that TRATON has identified will be mitigated following instructions in TRATON overarching policies and concepts that provide a foundation for the overall management processes to all sustainability matters. These policies ensure a consistent and integrated approach to decision-making on material sustainability measures across the Group. Besides these overarching policies and concepts, the TRATON GROUP has a Sustainability GROUP policy and additional policies in place that relate to specific sustainability matters.

Green Asset Backed Securities

Secured Green Bonds including Green Asset Backed Securities are covered in Appendix 1 of the Green Bond Principles. Additionally, TRATON GROUP will utilize the EBA Report from 2022 “Developing a Framework for Sustainable Securitization”¹⁰ to further strengthen governance and to align with market practice.

Based on these principles Use of Proceeds will be applied according to the Eligible Green Assets and Projects set out below in the section Category of Eligible Green Assets and Projects. As stated, proceeds from an issuance of Green Debt Instruments by TRATON including Green ABS will be exclusively allocated within the TRATON GROUP, though not within the issuing entity of the ABS transaction.

The collateral portfolio of the Green ABS with regards to the selection criteria in relation to BEVs will be at least representative of the average ABS eligible portfolio composition of the respective brand(s).

Financing and Refinancing

Financing is defined as allocation of proceeds to current and future Eligible Green Assets and Projects realized during the last 12 months prior to and 12 months after the issuance of Green Debt Instruments.

Refinancing is defined as allocation of proceeds to Eligible Green Assets and Projects with a lookback period beyond 12 months prior to the issuance of Green Debt Instruments as long as such Eligible Green Assets and Projects provide clear environmental benefits according to the sub-categories of Eligible Green Assets and Projects. Operational expenditures that increase the value or lifetime of Eligible Green Assets and Projects can be financed with a maximum lookback period of three calendar years.

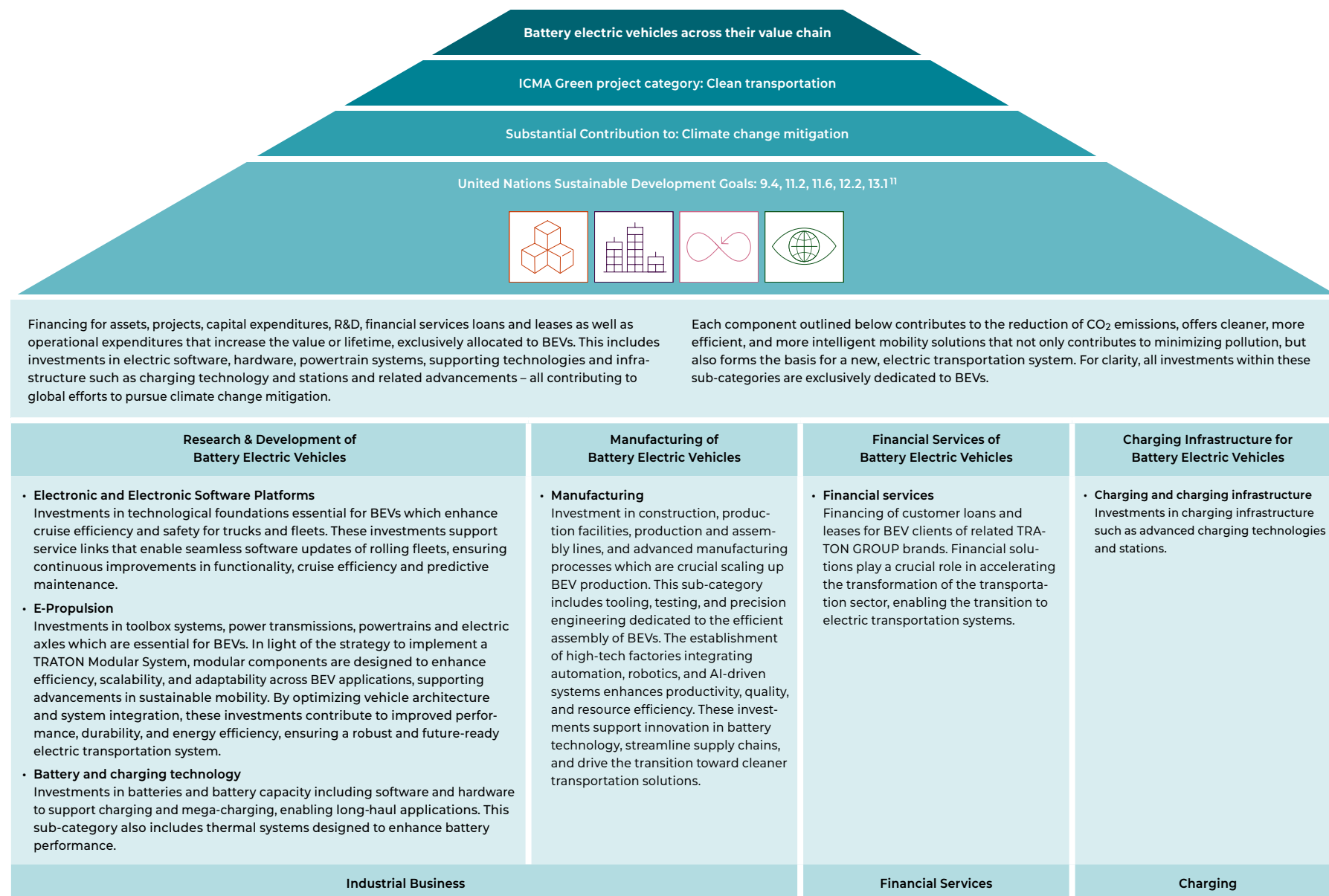
Eligible Green Assets and Projects are reviewed annually and will qualify for financing/refinancing subject to fulfilling the eligibility criteria below. TRATON intends to allocate the proceeds from a Green Debt Instrument at the earliest convenience and to the extent possible reach full allocation within 12 months. When investments take place over several years the total investment might not be fully allocated at once. Information about the split between finance, refinance, allocation etc. will be included in the annual Green Finance Report. Green Debt Instruments issued under this Framework will be referenced in associated legal documents. TRATON GROUP will in addition make sure no double counting of Green Eligible Assets and Projects occurs.

Exclusions

For the avoidance of doubt this Framework will exclude all investments directly related to internal combustion engine vehicles, plug-in hybrid vehicles as well as activities directly associated with fossil fuels and/or any activity associated with the entire life cycle of internal combustion engine technology.

¹⁰ European Banking Authority (2022): “Developing a Framework for Sustainable Securitisation”, www.eba.europa.eu.

Category of Eligible Green Assets and Projects



¹¹ Illustration is property of S&P Global Market Intelligence. All rights reserved. Reproduction is prohibited without prior written permission from the relevant party.

Process for Project Evaluation and Selection

Project evaluation and selection is a key process in ensuring that the Projects and Assets financed by Green Debt Instruments meet the Eligibility Criteria set out in the Use of Proceeds section.

To ensure that proceeds from Green Debt Instruments are allocated to assets aligned with the criteria of this Green Finance Framework, TRATON has established a **Green Finance Committee (GFC)** to coordinate, validate, perform and review the selection of Eligible Green Projects and Assets. The GFC has permanent members from Treasury at TRATON SE and TRATON Financial Services as well as the ESG, Sustainability and Group Finance departments. Other internal stakeholders may be consulted as necessary. The GFC will form its decision in consensus and will arrange discussions at least semi-annually or when appropriate.

The GFC will consider the criteria as defined in the EU Taxonomy to evaluate if assets are in line with the long-term vision of a social and environmental sustainability through the positive contribution to climate change mitigation, do no significant harm and minimum safeguards.

The main responsibilities of the GFC include but are not limited to:

1. Reviewing and validating the register of the Eligible Green Assets and Projects, based on the Eligibility Criteria, and removing Projects and Assets that do not meet the criteria.
2. Monitoring the Eligible Green Assets and Projects register during the lifetime of Green Debt Instruments.
3. Developing the Green Finance Report.
4. Monitoring the changes related to the sustainable finance markets in terms of disclosure and reporting requirements that may result in future amendments and changes to this Green Finance Framework.
5. Identifying and managing environmental and social risks, in accordance with the requirements in the Green Bond Principles.

The GFC follows the process below when selecting and evaluating projects for the Eligible Assets and Projects.

1. Potential Eligible Green Assets and Projects are identified in connection with the investment planning.
2. The list of potential Eligible Green Assets and Projects is submitted to the GFC that jointly verifies the eligibility of the potential Assets and Projects with the Eligibility Criteria.
3. Eligible Green Assets and Projects are added to the Eligible Green Assets and Projects register.
4. The GFC will track and monitor the register to make sure Eligible Green Assets and Projects remain aligned with the eligibility criteria in this Framework.
5. In the case where an asset or project in the Eligible Green Assets and Projects register no longer meets the eligibility criteria outlined in this Framework (e.g. following divestment, liquidation, other concerns regarding alignment with eligibility criteria), the GFC will adjust the Eligible Green Assets and Projects register accordingly.

Management of Proceeds

TRATON maintains the Eligible Green Assets and Projects register with the purpose of monitoring that Green Debt instruments will be entirely allocated to Eligible Green Assets and Projects. TRATON intends to allocate the proceeds of the Green Debt Instrument at the earliest convenience and commits on a best effort basis to reach full allocation within 12 months after issuance.

Unallocated proceeds may be temporarily placed in line with the liquidity reserves guidelines, taking the exclusion criteria into account. Relevant information regarding the issuance of Green Debt Instruments, as well as Eligible Green Assets and Projects financed and refinanced with Green Debt Instruments will be monitored and documented by the GFC. The balance of the Eligible Asset and Project register will be checked at least semi-annually to account for any need to re-allocate proceeds which no longer fulfil the Eligibility Criteria. The Eligible Asset and Project register will form the basis for the allocation and impact reporting.

Reporting

TRATON is committed to transparent allocation and impact reporting on any issuance of Green Debt Instruments over the entire duration of outstanding Green Debt Instruments. TRATON will publish a Green Finance Report covering the allocation and impact of the Green Debt Instruments issued under the Green Finance Framework. The information will be made publicly available on the TRATON website. Where relevant, TRATON will seek to align the reporting with the latest standards and practices as identified by ICMA in the Handbook Harmonized Framework for Impact Reporting issued in June 2025 or any update of this document.

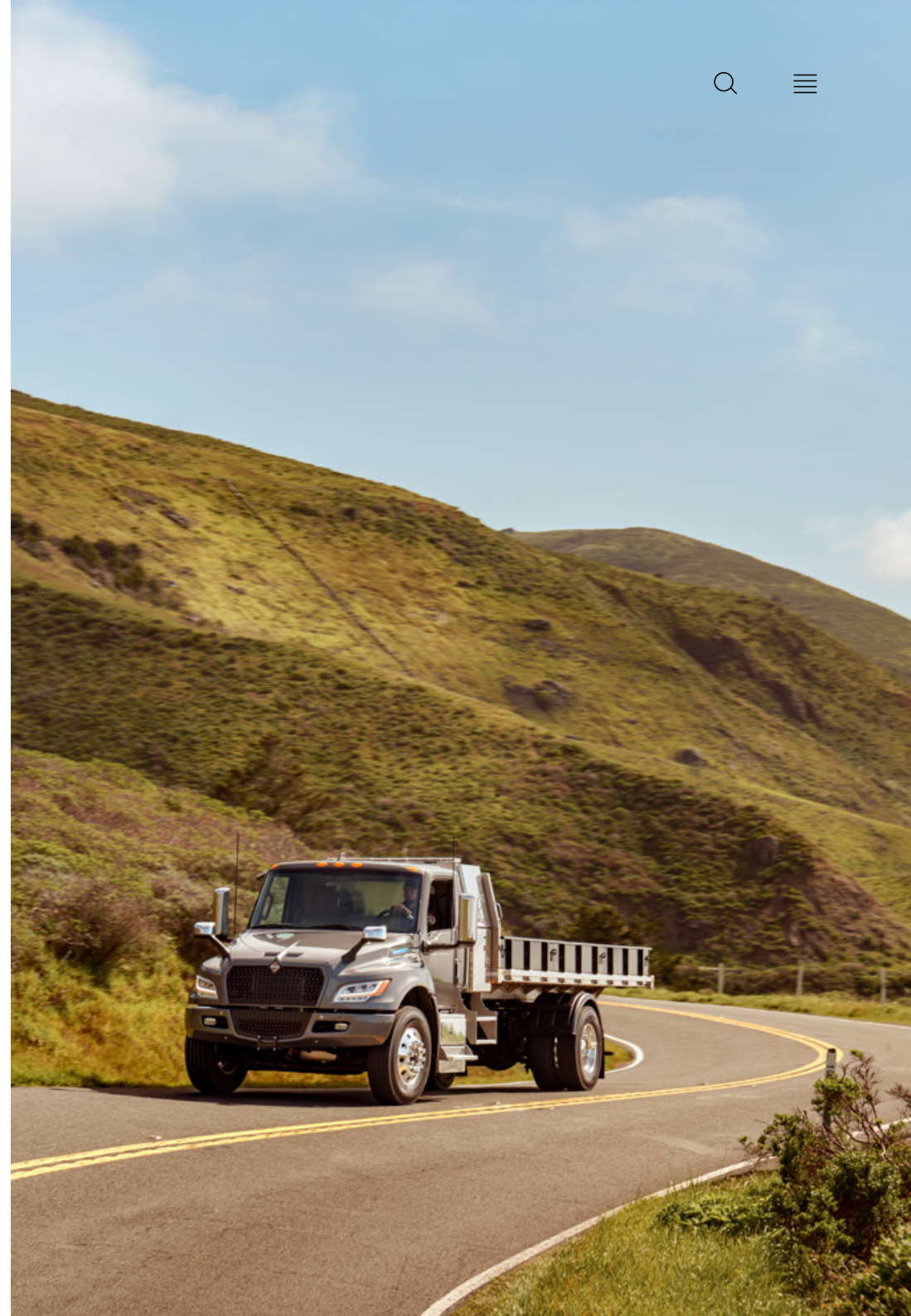
Allocation Reporting

The allocation report will, to the extent feasible, include the following components:

1. A list of all Eligible Green Assets and Projects funded, including amounts allocated to each sub-category as defined in the Use of Proceeds section
2. The relative share of new financing versus refinancing
3. Examples of some of the Eligible Green Assets and Projects financed
4. Geographical distribution
5. The amount of unallocated and reallocated proceeds

Impact Reporting

TRATON recognizes the importance of transparency on impact and will therefore strive to report on the actual or expected environmental impact of the investments financed by Green Debt Instruments. The impact report will, to the extent feasible, also include a section with methodology, baselines and relevant impact metrics. If competitive considerations, or a large number of underlying Eligible Green Assets and Projects limit the amount of detail that can be made available, TRATON may present information in generic terms or on an aggregated basis. These metrics may change over time depending on the need to provide a relevant understanding of the impact. If the actual impact of an Eligible Asset and Project cannot be systematically measured and reported (e.g. R&D), or proves unreasonably difficult to establish, TRATON will seek to provide information on the goals, estimated positive impact and results of the financed activities.



Examples of impact metrics for BEV investments might be the number of BEVs sold and financed as well as, when and where feasible, extracts of a Life Cycle Assessment (LCA) for the environmental performance of a vehicle. Please refer to the TRATON Sustainability Statement, as available on the website.

External Review

Second Party Opinion (pre-issuance)

TRATON has appointed S&P Global Ratings as an external reviewer to provide an independent, ex-ante Second Party Opinion on the TRATON Green Finance Framework, in accordance with the Guidelines for External reviewers developed by the ICMA. The full Second Party Opinion and this Framework will be publicly available on TRATON's website.

External verification (post issuance)

On an annual basis, TRATON will engage an independent external auditor to provide a limited assurance to verify the internal tracking and the allocation of funds from Green Debt Instruments and on the management of proceeds. This assurance will confirm that the allocation has been carried out in all material respects in accordance with the Eligibility Criteria set forth in this Framework. The limited assurance will be included in the annual Green Finance Report.

Publicly available documents

The Green Finance Framework, Second Party Opinion and Green Finance Report will be publicly available on the TRATON website. Additional information is provided in the TRATON Annual Report and Sustainability Statement¹² and through continuously updated content under the Sustainability section of the TRATON homepage.

¹² For the TRATON Annual Report 2024 please visit <https://annualreport.traton.com/2024/en>.





APPENDIX

List of Abbreviations

ABS	Asset Backed Securities
ACEA	European Automobile Manufacturers' Association
APLMA	Asian Pacific Loan Market Association
BEV	Battery Electric Vehicle
CO ₂	Carbon Dioxide
DNSH	Do No Significant Harm
EBA	European Banking Authority
ESG	Environmental, Social, Governance
EU	European Union
GBP	Green Bond Principles
GFC	Green Finance Committee
GLP	Green Loan Principles
GHG	Green House Gas
GRC	Governance, Risk, Compliance
GSAM	Group Sustainability Alignment Meeting
ICE	Internal Combustion Engines
ICMA	International Capital Market Association
ILO	International Labor Organization

KM	Kilometer
LCA	Life Cycle Assessment
LMA	Loan Market Association
LSTA	Loan Syndications & Trading Association
OECD	Organization for Economic Cooperation and Development
OEM	Original Equipment Manufacturer
PACT	Powering America's Commercial Transportation
R&D	Research and Development
SBTi	Science-Based Targets initiative
SLG	Sustainability Leadership Group
TaaS	Truck-as-a-Service
TMS	TRATON Modular System
TSB	TRATON Sustainability Board
UN	United Nations
US	United States (of America)
VWTV	Volkswagen Truck & Bus
WtW	Well-to-Wheel
WWF	World Wildlife Fund

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