

EXPLANATORY NOTES TO

- Item 1 on the agenda
- Rights of shareholders
- Number of shares and voting rights at the time of convocation of the Annual General Meeting

VIRTUAL

ANNUAL GENERAL MEETING

2020

TRATON

G R O U P

Annual General Meeting of TRATON SE on September 23, 2020 (virtual general meeting)

Convenience translation. This translation is a working translation only. Legally binding and relevant is solely the German version.

I. Explanatory note to item 1 on the agenda in accordance with section 124a sentence 1 no. 2 of the German Stock Corporation Act (*Aktiengesetz – AktG*)¹

Pursuant to sections 172, 173 AktG, no resolution is provided for item 1 on the agenda (presentation of the adopted annual financial statements of TRATON SE and the approved consolidated financial statements for the year ending December 31, 2019, in addition to the combined management report of TRATON SE and the TRATON GROUP for the 2019 fiscal year as well as the report of the Supervisory Board) since the Supervisory Board approved the annual and consolidated financial statements, prepared by the Executive Board, on February 20, 2020, thus the annual financial statements are adopted. The Executive Board and the Supervisory Board did not pass a resolution within the meaning of section 173 (1) sentence 1, first alternative AktG to leave the adoption of the annual financial statements to the General Meeting. Since the Supervisory Board has approved the financial statements, the special case provided for by section 173 (1) sentence 1, second alternative, and sentence 2 AktG, in which the General Meeting is responsible for the adoption of the financial statements in the absence of their approval by the Supervisory Board, does not apply. Section 175 (1) sentence 1 AktG merely stipulates that the Executive Board shall convene the

General Meeting for the purpose of accepting the adopted annual financial statements and the management report and for the purpose of resolving on the appropriation of the distributable profit (*Bilanzgewinn*) (if any) and, in the case of a parent company, also for the purpose of accepting the consolidated financial statements approved by the Supervisory Board, and the consolidated management report.

Pursuant to section 171 (1) sentence 1 and (2) sentence 1 as well as section 314 (2) AktG, the Supervisory Board must report to the General Meeting in writing on the findings of its examination of the annual and consolidated financial statements, the combined management report of TRATON SE and the TRATON GROUP, and the proposal for appropriation of the distributable profit (*Bilanzgewinn*). The Supervisory Board's report is also an account by the Supervisory Board of its activities. A resolution of the General Meeting on the report of the Supervisory Board is not provided for by law.

II. Explanatory notes to the rights of shareholders in accordance with section 121 (3) sentence 3 no. 3 AktG

The convocation notice of the Annual General Meeting already includes information on the rights of shareholders in accordance with Art. 56 sentences 2 and 3 SE Regulation, section 50 (2) of the German SE Implementation Act (*SE-Ausführungsgesetz – SEAG*), section 122 (2), section 126 (1) and section 127 AktG, and section 1 (2) sentence 1 no. 3 of the Act on Measures in Corporate, Co-operative, Association, Foundation and Home Ownership Law to Combat the Effects of the COVID-19 Pandemic (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie – C19-AuswBekG*). The information that follows serves to further explain these provisions.

¹ The provisions of the German Stock Corporation Act (*Aktiengesetz*) apply to the Company in accordance with Art. 9 (1) (c) (ii) and Art. 10 of Council Regulation (EC) on the Statute for a European company (*SE Regulation*), unless more specific provisions of the SE Regulation, which are referred to separately, provide otherwise.

1. Motions for additions to the agenda at the request of a minority in accordance with Art. 56 sentences 2 and 3 SE Regulation, section 50 (2) SEAG, and section 122 (2) AktG

In accordance with Art. 56 sentence 3 SE Regulation in conjunction with section 50 (2) SEAG, motions for additions to the agenda by shareholders of a European company (*Societas Europaea – SE*) require a quorum. Section 50 (2) SEAG corresponds in substance to the provision of section 122 (2) AktG. According to this provision, shareholders whose shares separately or collectively amount to one twentieth (5%) of the share capital or separately or collectively amount to a notional interest of EUR 500,000 (this corresponds to 500,000 shares) may request that items be placed on the agenda and be made known. Pursuant to Art. 56 sentence 2 SE Regulation in conjunction with section 122 (2) in conjunction with (1) sentence 1 AktG, each new item must be accompanied by a statement of reasons or a resolution proposal. Requests for additions to the agenda must be received by the Company in writing at least 30 days before the Annual General Meeting – not including the day of receipt and the day of the Annual General Meeting –, i.e., no later than by the end of August 23, 2020 (24:00 hours CEST) (Art. 56 sentence 2 SE Regulation in conjunction with section 122 (2) sentence 3 AktG). Any requests for additions to the agenda which are received after such date will not be taken into account. Shareholders of the Company are not subject to the requirement applicable to a German stock corporation according to which shareholders must have held their shares for at least 90 days (Art. 56 SE Regulation in conjunction with section 50 (2) SEAG). Shareholders are asked to send any such requests for additions to the agenda to the following address:

TRATON SE
Executive Board
Annual General Meeting/FL
Dachauer Straße 641
80995 Munich, Germany

Fax: +49 89 36098-572

Requests for additions to the agenda that have to be announced will be published in the Federal Gazette (*Bundesanzeiger*) without undue delay after they are received, unless they are published with the notice of the meeting, and passed on for publication to media that can be expected to disseminate the information throughout the entire European Union. They will also be published on the website at www.traton.com/agm and communicated to the shareholders.

The rules of the SE Regulation, the SEAG, and the AktG underlying these shareholder rights are as follows:

Article 56 SE Regulation [Additions to the agenda]

¹One or more shareholders who together hold at least 10% of an SE's subscribed capital may request that one or more additional items be put on the agenda of any general meeting. ²The procedures and time limits applicable to such requests shall be laid down by the national law of the Member State in which the SE's registered office is situated or, failing that, by the SE's statutes. ³The above proportion may be reduced by the statutes or by the law of the Member State in which the SE's registered office is situated under the same conditions as are applicable to public limited-liability companies.

Section 50 SEAG Convocation and additions to the agenda at the request of a minority (extract)

(2) One or more shareholders who together hold 5 percent of an SE's subscribed capital or a notional interest of

EUR 500,000 may request that one or more additional items be put on the agenda of any general meeting.

Section 122 AktG Convocation at the request of a minority (extract)

(1) ¹The general meeting shall be convened if shareholders who together hold one twentieth of the share capital request this in writing, stating the purpose and the reasons; such requests must be addressed to the executive board. ²The articles of association may link the right to convene the general meeting to another form and to ownership of a smaller percentage of the share capital. ³The applicants have to produce proof that they have been holding the shares for at least 90 days prior to the day of receipt of the request and that they will hold the shares until the executive board has made a decision on the request. ⁴Section 121 (7) shall apply accordingly.

(2) ¹Similarly, shareholders whose shares collectively amount to one twentieth of the share capital or a notional interest of EUR 500,000 may request that items be placed on the agenda and be made known. ²Each new item must be accompanied by a statement of reasons or a resolution proposal. ³Requests within the meaning of sentence 1 must be received by the company at least 24 days before the general meeting, and in the case of listed companies at least 30 days before the general meeting, not including the day of receipt.

Section 124 AktG Announcement of requests for additions to the agenda; proposals for resolution (extract)

(1) ¹If a minority pursuant to section 122 (2) requests that items be placed on the agenda, this must either be published with the notice or otherwise announced without undue delay after the request is received. ²Section 121 (4) shall apply *mutatis mutandis* and, in the case of listed companies, section 121 (4a) shall apply accordingly.

³Requests must be announced and passed on in the same way as the convocation notice.

2. Countermotions and proposals for election in accordance with sections 126 (1) and 127 AktG

Shareholders may also submit countermotions to proposals made by the Executive Board and/or Supervisory Board for specific items on the agenda to the Company as well as submit proposals for the election of the auditor (item 5 on the agenda). Countermotions must be accompanied by a statement of reason, whereas election proposals do not require a statement of reasons. In each case, countermotions and election proposals by shareholders for the Annual General Meeting must be sent exclusively to the following address:

TRATON SE
Executive Board
Annual General Meeting/FL
Dachauer Straße 641
80995 Munich, Germany

Fax: +49 89 36098-572
E-mail: hv-antrag.traton@traton.com

Countermotions and/or nominations addressed otherwise will not be considered.

Countermotions and election proposals by shareholders received by the Company at the aforementioned address at least 14 days before the Annual General Meeting – not including the day of receipt and the day of the Annual General Meeting –, i.e., no later than by the end of September 8, 2020 (24:00 hours CEST), will be made available, together with the name of the shareholder and, particularly in the case of countermotions, the statement of reasons as well as any comment by the management, without undue delay on the website at www.traton.com/agm (section 126 (1) sentence 3 and section 127 sentence 1 AktG).

The Company may refrain from making available a counter-motion and its statement of reasons or an election proposal if one of the circumstances for exclusion pursuant to section 126 (2) AktG has occurred. The circumstances for exclusion within the meaning of section 126 (2) AktG relate to counter-motions that are contrary to the law or the articles of association or that abuse legal rights, and apply mutatis mutandis to election proposals (section 127 sentence 1 and section 126 (2) AktG). Pursuant to section 124 (3) sentence 4 AktG, election proposals will also be made available only if they include the candidate's name, occupation held, and place of residence and, in the case of proposals for the election of members to the Supervisory Board, additional information on their membership in other supervisory bodies required to be established by law (section 127 sentence 3 and section 125 (1) sentence 5 AktG).

The Company will treat counter-motions and election proposals by duly registered shareholders to be made available in accordance with sections 126 and 127 AktG in the context of the virtual general meeting as if they had been put forward at the Annual General Meeting. This also applies to counter-motions to agenda items that have been put on the agenda at the request of a minority of shareholders in accordance with section 122 (2) AktG on the basis of permitted motions for additions to the agenda which have been submitted in due time.

These shareholder rights are based on the following rules of the AktG:

Section 126 AktG Motions by shareholders

(1) *¹Motions by shareholders, including the name of the shareholder, the statement of reasons, and any comment by the management, must be made available to the persons duly entitled pursuant to section 125 (1) to (3) on the conditions stipulated therein if the shareholder has sent a counter-motion to a proposal made by the management board or supervisory board for a specific item on the agenda, together with a statement of*

reasons, at least 14 days before the general meeting of the company to the address specified for this purpose in the notice. ²The day of receipt shall not be included in this calculation. ³In the case of listed companies, the information shall be made available on the company's website. ⁴Section 125 (3) shall apply accordingly.

(2) *¹A counter-motion and the related statement of reasons do not need to be made available*

- 1. to the extent that the executive board would incur criminal liability by making them available,*
- 2. if the counter-motion would result in the adoption of a resolution by the general meeting that is contrary to the law or the articles of association,*
- 3. if the statement of reason contains information that is obviously incorrect or misleading in material respects or contains insults,*
- 4. if a counter-motion by the shareholder based on the same facts and circumstances has already been made available for a general meeting of the company in accordance with section 125,*
- 5. if the same counter-motion by the shareholder together with a statement of substantially the same reasons has already been made available during the past five years for at least two general meetings of the company in accordance with section 125 and less than one twentieth of the represented share capital voted in favour of such counter-motion at the general meeting,*
- 6. if the shareholder indicates that he/she does not wish to attend the general meeting in person or to be represented by a proxy, or*

7. if, at two general meetings during the past two years, the shareholder failed, in person or by proxy, to put forward the countermotion previously communicated by him/her.

²The statement of reasons does not need to be made available if it exceeds 5,000 characters in total.

(3) If several shareholders submit countermotions with regard to the same item to be resolved, the executive board may combine the countermotions and the related statements of reasons.

Section 127 AktG Election proposals by shareholders (extract)

¹Section 126 shall apply *mutatis mutandis* to the proposals for the election of supervisory board members or auditors submitted by a shareholder. ²The election proposal does not require a statement of reasons. ³The executive board also does not need to make available the election proposal if it fails to contain the information pursuant to section 124 (3) sentence 4 and section 12 (1) sentence 5.

Section 124 AktG Announcement of requests for additions to the agenda; proposals for resolution (extract)

(3) ⁴Proposals for the election of supervisory board members or auditors shall state the candidate's name, occupation held, and place of residence.

3. Opportunity to ask questions by means of electronic communication pursuant to section 1 (2) sentence 1 no. 3 C19-AuswBekG

In a virtual general meeting, the shareholders may ask questions only by means of electronic communication (section 1 (2) sentence 1 no. 3 C19-AuswBekG). The Executive

Board may require that questions must be submitted no later than two days before the Annual General Meeting. The Executive Board of TRATON SE has made use of this option with the approval of the Supervisory Board. In accordance with section 1 (2) sentence 2 C19-AuswBekG, the Executive Board will decide at its due and sole discretion which questions it answers and how.

Duly registered shareholders may submit questions via the Company's Shareholder Portal accessible at www.traton.com/agm no later than two days before the Annual General Meeting, i.e., by the end of September 20, 2020, 24:00 hours (CEST). It is not possible to submit questions by other means. Questions can no longer be submitted after expiry of the aforementioned deadline.

These shareholder rights are based on the following rules of the C19-AuswBekG:

Section 1 C19-AuswBekG Stock corporations; partnerships limited by shares; European companies (SE); mutual insurance associations (extract)

(1) Decisions regarding the participation of shareholders in the general meeting by means of electronic communication in accordance with section 118 (1) sentence 2 AktG (electronic participation), voting by means of electronic communication in accordance with section 118 (2) AktG (absentee voting), the participation of members of the supervisory board by means of video and audio transmission in accordance with section 118 (3) sentence 2 AktG and the approval of video and audio transmission of the general meeting in accordance with section 118 (4) AktG may be taken by the company's executive board even without authorization under the articles of association or any rules of procedure.

(2) ¹The executive board may decide that the general meeting shall be held in the form of a virtual general

meeting without the physical presence of the shareholders or their authorized representatives, provided that

- 1. the entire general meeting is transmitted by video and audio,*
- 2. shareholders can exercise their voting right by means of electronic communication (absentee voting or electronic participation) and grant power of attorney,*
- 3. shareholders are given the opportunity to ask questions by means of electronic communication,*
- 4. shareholders who have exercised their voting right in accordance with no. 2 are, by way of derogation from section 245 no. 1 AktG and waiving the requirement of physical presence at the general meeting, given the opportunity to object to a resolution adopted by the general meeting.*

²The executive board decides at its due and sole discretion which questions it answers and how; the executive board may also require that questions must be submitted by means of electronic communication no later than two days before the general meeting.

III. Total number of shares and voting rights at the time of convocation of the Annual General Meeting, section 124a sentence 1 no. 4 AktG

At the time of convocation of the Annual General Meeting, the Company has a share capital of EUR 500,000,000, divided into 500,000,000 no-par value bearer shares. Each no-par value share carries one vote. The Company holds no treasury shares. Thus at the time of convocation of the Annual General Meeting, the total number of shares and voting rights is 500,000,000 each.

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