

Annex to agenda item 7

Remuneration report

The Executive Board and Supervisory Board of TRATON SE compiled the first remuneration report in accordance with section 162 of the *Aktiengesetz* (AktG — German Stock Corporation Act), in the version as amended by the Second Shareholder Rights' Directive (ARUG II), for fiscal year 2021. In this report, we explain the principles of the remuneration system for the Executive Board and Supervisory Board. The Remuneration Report also presents the individual remuneration broken down by component for current and former members of the Executive Board and Supervisory Board of TRATON SE.

REMUNERATION OF THE MEMBERS OF THE EXECUTIVE BOARD

Business performance in the year under review

The global economy recovered overall in 2021 after the strong impact of the COVID-19 pandemic in the previous year. In line with these macroeconomic developments, the most important truck markets (> 6t) for the TRATON GROUP reported a substantial recovery overall worldwide. By contrast, the most important bus markets declined slightly overall. The second half of 2021 was adversely affected by shortages in the supply of semiconductors and other key bought-in parts as well as a significant rise in prices for energy and other commodities. Overall, however, a sharp year-on-year increase in unit sales and sales revenue was recorded. Nevertheless, the judgment of the General Court of the European Union within the framework of the EU antitrust proceedings had a negative impact on operating result.

A further milestone was achieved in fiscal year 2021 with the merger of the TRATON GROUP with US commercial vehicle manufacturer Navistar on July 1, 2021. For the TRATON GROUP, this transaction represents its entry into the important North American market and thus the further expansion of its global reach.

Principles of Executive Board remuneration

The remuneration of the members of the Executive Board is based on the remuneration system resolved by the Supervisory Board on December 16, 2020, which came into effect on January 1, 2021. The Executive Board remuneration system implements the requirements of the AktG in the version as amended by ARUG II and takes account of the recommendations of the Code as amended on December 19, 2019 (entered into force on March 20, 2020). The Annual General Meeting approved the remuneration system on June 30, 2021, with 97.2% of the votes cast. For the members of the Executive Board who were already in office prior to December 16, 2020, the remuneration system shall apply until their contract is renewed and with the proviso that the performance share plan will continue to have a performance period of three years.

The level of the Executive Board remuneration should be appropriate and attractive in the context of the Company's national and international peer group. Criteria include the tasks of the individual Executive Board member, their personal performance, the economic situation, and the performance of and outlook for the Company, as well as how customary the remuneration is when measured against the peer group. In this context, comparative studies on remuneration are conducted on a regular basis.

The following provides an overview of the remuneration system for the Executive Board that was applicable in fiscal year 2021 before discussing the remuneration components in the same reporting period.

Overview of the remuneration components

The following table provides an overview of the remuneration components paid to the members of the Executive Board in fiscal year 2021. It also provides an overview of the composition of the individual remuneration components and explains the targets, especially in respect of how the remuneration is intended to foster the Company's long-term development.

2021 EXECUTIVE BOARD REMUNERATION SYSTEM

Component	Composition	Target
Fixed remuneration components		
Base salary	Twelve equal installments payable at month-end	The base remuneration and fringe benefits are intended to reflect the tasks and responsibility of the Executive Board members, provide a basic income, and prevent them from taking inappropriate risks.
Fringe benefits	<p>In particular:</p> <ul style="list-style-type: none"> - Private use of the first company car; second and third company cars with fuel cards in return for payment of a monthly flat fee; private use of the driver pool to an appropriate extent - Allowance toward health and long-term care insurance and retirement provision - Accident insurance - Installation and private use of security measures - Medical check-up for managers - Inclusion in D&O and criminal legal expenses insurance - Benefits in the event of death - Possible payment of tax consulting costs <p>Modified fringe benefits for Executive Board members who are also members of the Executive Board of a foreign subsidiary:</p> <ul style="list-style-type: none"> - Executive Board members who are also members of the Executive Board of a foreign subsidiary do not currently receive their fringe benefits from TRATON SE but from the respective foreign subsidiary. - These Executive Board members are only entitled to modified fringe benefits from TRATON SE, i.e., they are included in the D&O and criminal legal expenses insurance, they are entitled to benefits in the event of death, and, under certain circumstances, to the payment of tax consulting costs. 	
Occupational retirement provision	<ul style="list-style-type: none"> - Retirement, disability, and surviving dependents' benefits - In principle, upon reaching the age of 65 (earlier claims are possible) - Defined contribution system dependent on the performance of certain fund indices - Annual contribution of 40% of the contractually agreed base salary - Executive Board members who are also members of the Executive Board of a foreign subsidiary do not currently receive occupational retirement provision from TRATON SE but from the respective foreign subsidiary. 	The occupational retirement provision is intended to provide Executive Board members with an adequate pension when they retire.
Variable remuneration components		
Profit bonus	<ul style="list-style-type: none"> - Plan type: target bonus - Cap: 180% of the target amount - Assessment period: profit bonus fiscal year (year for which the bonus is granted) and previous fiscal year - Performance criteria: <ul style="list-style-type: none"> o Financial subtargets: <ul style="list-style-type: none"> · Operating return on sales (50%) and return on investment (50 %) <ul style="list-style-type: none"> o Operating return on sales is ratio of the operating result of the Industrial Business segment¹ before tax and excluding adjustments to the corresponding sales revenue. o Return on investment is ratio of the operating result of the Industrial Business segment¹ after tax (normalized tax rate of 30%) and excluding adjustments to the corresponding average invested capital. · The Supervisory Board defines minimum, target, and maximum values for the financial subtargets for the bonus fiscal year. The minimum, target, and maximum values correspond to subtarget achievement of 50%, 100%, and 150%, respectively; interim values are interpolated on a linear basis. · The profit bonus depends on target achievement in the bonus fiscal year and the previous fiscal year (average over two years). · Total financial target achievement = subtarget achievement operating return on sales x 50% + subtarget achievement return on investment x 50% 	The bonus is intended to motivate the Executive Board members to pursue ambitious targets during the assessment period. The financial performance targets support the strategic target of achieving competitive earnings power. The integration of sustainability targets reflects the significance of the Environment, Social, and Governance factors.

2021 EXECUTIVE BOARD REMUNERATION SYSTEM

Component	Composition	Target
Variable remuneration components		
Profit bonus	<ul style="list-style-type: none"> - Performance criteria: <ul style="list-style-type: none"> o ESG targets <ul style="list-style-type: none"> · Environment subtarget (in fiscal year 2021: to develop and implement a strategic core key performance indicator to measure Group-wide decarbonization/CO₂ reduction), weighted at 50% · Social subtarget (opinion index), weighted at 50% · Governance factor (compliance and integrity) of between 0.9 and 1.1 (normal value 1.0) · The Supervisory Board defines minimum, target, and maximum values for the Environment and Social subtargets for each fiscal year. The minimum, target, and maximum values correspond to subtarget achievement of 0.7, 1.0, and 1.3, respectively; interim values are interpolated on a linear basis. · Calculation of the ESG factor: [Environment subtarget achievement x 50% + Social subtarget achievement x 50%] x Governance factor (0.9-1.1) - Profit bonus payment amount = individual target amount x financial target achievement x ESG factor - Payout: in cash in the month following approval of the consolidated financial statements for the bonus fiscal year 	
<p>Long-term incentive (LTI) <i>(Note: for Executive Board members appointed prior to December 16, 2020, a three-year performance period continues to apply until their contract is renewed; in all other respects, however, the terms of the LTI are equivalent to the terms of the performance share plan described for fiscal year 2021.)</i></p>	<ul style="list-style-type: none"> - Plan type: performance share plan - Performance period: in principle, forward-looking four-year term - Cap: 200% of the target amount - Allocation of performance shares: At the start of each fiscal year, the individually agreed target amount is divided by the arithmetic mean of the TRATON SE share price (German Securities Identification Number: TRATON) in the Xetra trading system of Deutsche Börse AG on the last 30 trading days prior to January 1 in the respective performance period (initial reference price). - Target setting: At the start of the performance period, the Supervisory Board defines minimum, target, and maximum values for earnings per share (EPS), the audited diluted earnings per TRATON share for continuing and discontinued operations. The minimum, target, and maximum EPS values correspond to target achievement of 50%, 100%, and 150%, respectively. - Calculation of the payment amount: The final number of performance shares is calculated by multiplying the number of performance shares conditionally allocated at the start of the performance period by the arithmetic mean of the annual EPS target achievement figures during the performance period. The final number of performance shares is then multiplied by the sum of the arithmetic mean of the closing prices on the last 30 trading days prior to the end of the performance period (closing reference price) and the dividends paid per share during the performance period (dividend equivalent). - Payment: in cash in the month following approval of the consolidated financial statements for the last fiscal year of the respective performance period. - If the employment contract ends before the end of the performance period due to a bad leaver case (extraordinary termination for cause or revocation of appointment due to a gross breach of duties, resignation, termination without cause by the person concerned, a breach of a contractual or post-contractual restraint on competition), all performance shares will be forfeited. 	<p>The long-term incentive serves to align the remuneration of the Executive Board members to the Company's long-term performance. The financial performance target EPS in conjunction with share price performance and the dividends paid, measured over four years, ensures the long-term effect of the behavioral incentives and supports the strategic target of achieving competitive earnings power.</p>
Other benefits		
Special payment	<ul style="list-style-type: none"> - If applicable, on the basis of a separate agreement with the Executive Board member - The agreement is made in advance for the fiscal year and defines performance criteria for the special payment. 	<p>Special payments are intended to reward outstanding performance and will only be granted if it is in the Company's interest to do so and generates a forward-looking benefit for the Company.</p>
Benefits agreed with new Executive Board members for a defined period of time or for the entire term of their employment contracts	<ul style="list-style-type: none"> - Optional payments to compensate for declining variable remuneration or other financial disadvantages - Optional benefits in connection with a relocation - Optional minimum remuneration guarantee 	<p>These (compensation) payments are intended to enable the company to attract qualified candidates for the Executive Board.</p>

2021 EXECUTIVE BOARD REMUNERATION SYSTEM

Component	Composition	Target
Other remuneration provisions		
Penalty and clawback	<ul style="list-style-type: none"> – The possibility for the Supervisory Board to reduce profit bonuses and the performance share plan by up to 100% or to claw back the remuneration that has already been paid in the case of relevant misconduct during the respective relevant assessment period. – Clawback is excluded if more than three years have passed since the variable remuneration component was paid out. 	The aim is to motivate Executive Board members to maintain lawful and ethical conduct.
Maximum remuneration	<ul style="list-style-type: none"> – The relevant components are the fixed salary for the respective fiscal year, the service cost for occupational retirement provision, the fringe benefits granted, the profit bonuses granted for the respective fiscal year and paid out in the following year, the performance share plan paid out in the respective fiscal year and for which the performance period ended immediately before the respective fiscal year, any special payment granted for the respective fiscal year, and any benefits granted to new Executive Board members. – €5,500,000 gross for the Chairman of the Executive Board per fiscal year; in general, €3,700,000 gross for the members of the Executive Board per fiscal year; in deviation from this €1,750,000 gross for Mr. Cortes and €4,000,000 gross for the member of the Executive Board who is also CEO of Scania AB and/or Scania CV AB. – The maximum remuneration for Executive Board members who are also members of the Executive Board of a foreign subsidiary consists of the total remuneration of TRATON SE together with that of the respective subsidiary. – If the maximum remuneration is exceeded, the variable remuneration components will be reduced accordingly. 	The aim is to ensure that the remuneration of Executive Board members is not inappropriately high when measured against the peer group.

¹ In the course of the Navistar takeover, the structure of the TRATON GROUP was realigned. In fiscal year 2021, the former Industrial Business segment was replaced by "TRATON Operations including Corporate Items (excluding consolidation effects between the TRATON Operations business area and the TRATON Financial Services segment and effects from the purchase price allocations to Financial Services)."

REMUNERATION OF THE EXECUTIVE BOARD MEMBERS APPOINTED IN FISCAL YEAR 2021

Members of the Executive Board in fiscal year 2021

On the one hand, the Executive Board of TRATON SE is made up of members who are also members of the Executive Board of a foreign subsidiary and receive their remuneration proportionately from TRATON SE and the respective foreign subsidiary. On the other, it consists of members who are only members of the Executive Board of TRATON SE or also members of the Executive Board of a German subsidiary. These Executive Board members are remunerated entirely by TRATON SE; if they hold an additional Executive Board function at a German subsidiary, part of their remuneration will be reimbursed by way of intercompany charging. The members of the Executive Board receive no additional remuneration for discharging further mandates in the management bodies, supervisory boards, or comparable bodies of other Group companies in the course of their board activity. Should such remuneration be granted nonetheless, it will be offset against the remuneration for the activity as a member of the Executive Board of TRATON SE.

In fiscal year 2021, the Executive Board of TRATON SE had the following members:

Christian Levin: Mr. Levin has been a member of the Executive Board since the effective date of the change of legal form of TRATON AG to TRATON SE on the day this was entered in the commercial register in 2019, and has been the Chairman of the Executive Board since October 1, 2021. In addition, until April 30, 2021, Mr. Levin was Managing Director of TRATON AB and, since May 1, 2021, has been Chief Executive Officer of Scania AB and Scania CV AB. From January 1, 2021, to April 30, 2021, and from May 1, 2021, to September 30, 2021, Mr. Levin received 20% of his fixed and variable remuneration from TRATON SE and 80% from TRATON AB and Scania CV AB. Since October 1, 2021, the remuneration is divided between TRATON SE and Scania CV AB based on areas of responsibility. Until April 30, 2021, Mr. Levin received fringe benefits and occupational retirement provision solely from TRATON AB; since May 1, 2021, they are solely received from Scania CV AB.

Matthias Gründler: Mr. Gründler was a member and Chairman of the Executive Board from July 16, 2020. He stepped down effective the end of September 30, 2021.

Mathias Carlbaum: Mr. Carlbaum has been a member of the Executive Board since October 1, 2021, and, in addition, Chief Executive Officer and President of Navistar since September 1, 2021, on the basis of a secondment agreement between him, Scania CV AB, and Navistar International Corporation (Navistar). Since October 1, 2021, 20% of his fixed and variable remuneration

has been borne by TRATON SE and 80% by Navistar. The fringe benefits for Mr. Carlbaum are borne by Navistar. All pension expenses and some fringe benefits were paid by Scania CV AB, with which Mr. Carlbaum still has a dormant employment contract, and charged on to Navistar.

Antonio Roberto Cortes: Mr. Cortes has been a member of the Executive Board since the effective date of the change of legal form of TRATON AG to TRATON SE on the day this was entered in the commercial register in 2019, and is also Chief Executive Officer of MAN Latin America Indústria e Comércio de Veículos Ltda. (MAN Latin America). Mr. Cortes receives 20% of his fixed and variable remuneration from TRATON SE and 80% from MAN Latin America. Mr. Cortes received his fringe benefits and occupational pension entirely from MAN Latin America.

Annette Danielski: Ms. Danielski has been a member of the Executive Board since October 1, 2021.

Henrik Henriksson: Mr. Henriksson was a member of the Executive Board from the effective date of the change of legal form of TRATON AG to TRATON SE on the day this was entered in the commercial register in 2019. He stepped down effective the end of April 30, 2021. Mr. Henriksson was also President and Chief Executive Officer of Scania CV AB and Scania AB. He also stepped down from these roles effective the end of April 30, 2021. Mr. Henriksson received 20% of his fixed and variable remuneration from TRATON SE and 80% from Scania CV AB. Mr. Henriksson received his fringe benefits and occupational pension entirely from Scania CV AB.

Bernd Osterloh: Mr. Osterloh has been a member of the Executive Board since May 1, 2021. From October 1 to December 31, 2021, he was also a member of the Executive Board and *Arbeitsdirektor* (Executive Board member responsible for employee relations) of MAN Truck & Bus SE. Mr. Osterloh received no separate remuneration in fiscal year 2021 for his role at MAN Truck & Bus SE. The Supervisory Board of MAN Truck & Bus SE resolved to reimburse TRATON SE 20% of the remuneration expenses (fixed and variable remuneration) for the period since October 1, 2021, by way of intercompany charging.

Christian Schulz: Mr. Schulz was a member of the Executive Board from the effective date of the change of legal form of TRATON AG to TRATON SE on the day this was entered in the commercial register in 2019. He stepped down effective the end of September 30, 2021.

Dr. Ing. h.c. Andreas Tostmann: Dr. Ing. h.c. Tostmann was a member of the Executive Board from July 16, 2020. He stepped down effective the end of November 24, 2021. Moreover, he was Chairman of the Executive Boards of MAN SE (until the merger with TRATON SE on August 31, 2021) and of MAN Truck & Bus SE. He also stepped down from his positions as member and Chairman of the Executive Board of MAN Truck & Bus SE effective the end of November 24, 2021. Dr. Ing. h.c. Tostmann received no separate remuneration in fiscal year 2021 for his roles at MAN SE and MAN Truck & Bus SE. The Supervisory Board of MAN Truck & Bus SE resolved to reimburse TRATON SE 80% of the remuneration expenses (fixed and variable remuneration) for fiscal year 2021 by way of intercompany charging.

Alexander Vlaskamp: Mr. Vlaskamp has been a member of the Executive Board since November 25, 2021, and is also Chairman of the Executive Board of MAN Truck & Bus SE. Mr. Vlaskamp received no separate remuneration in fiscal year 2021 for his role at MAN Truck & Bus SE. The Supervisory Board of MAN Truck & Bus SE resolved to reimburse TRATON SE 80% of the expenses for remuneration (fixed and variable remuneration) for the period since November 25, 2021, by way of intercompany charging.

REMUNERATION GRANTED AND OWED IN FISCAL YEAR 2021

In accordance with section 162 (1) sentence 1 of the AktG, the remuneration report must detail the remuneration granted and owed to each individual member of the Executive Board in the past fiscal year. The terms used are defined as follows:

- The term “granted” means the *“actual receipt of the remuneration component.”*
- The term “owed” covers *“all legal obligations in respect of remuneration components that are due but have not yet been fulfilled.”*

These definitions differ from the terms “benefits granted” and “benefits received” used in previous remuneration reports. The term “benefits granted” within the meaning of the Code (2017) included all remuneration components, irrespective of the time of actual payment, which had been awarded at least in principle to a member of the Executive Board in the fiscal year and the amount of which could be estimated. The introduction of section 162 of the AktG means it is no longer possible to continue applying the distinction between “granted” and “received” as had previously been the case. The term “granted” used in section 162 of the AktG most closely matches the definition of the term “received” that was previously used.

Table overview

The following tables show the remuneration actually received by the members of the Executive Board in fiscal year 2021. The time of actual payment is not significant. Correspondingly, the remuneration granted in 2021 includes the base salary paid in fiscal year 2021, the fringe benefits, the bonus paid for fiscal year 2021 following approval of the Company's consolidated financial statements, and any advance payments on LTI 2020–2022. Advance payments of this kind were received by Mr. Cortes, Mr. Levin, and Mr. Schulz because they had already been members of the Executive Board on January 17, 2019. The aim is to compensate for the payment gap caused by the switch to the forward-looking performance share plan. The advance payment is offset against actual target achievement at the end of the three-year performance period. The advance will not be paid if conduct meeting penalty criteria exists in the first year of the performance period. A penalty was not triggered for either Mr. Cortes, Mr. Levin, or Mr. Schulz. No LTI was paid in the year under review since neither a three-year nor a four-year performance period had yet ended. As the Company was not in arrears with the payment of remuneration components, the tables do not show any remuneration owed.

The relative portions shown in the tables refer to the remuneration components "granted and owed" in the respective fiscal year in accordance with section 162 (1) sentence 1 of the AktG. They therefore include all benefits actually received by the members of the Executive Board in the respective fiscal year, no matter which fiscal year they were paid for. The relative portions shown here are therefore not comparable with the respective relative portions of the fixed and variable remuneration components in total remuneration as contained in the description of the remuneration system in accordance with section 87a (1) sentence 2 no. 3 of the AktG. The portions shown in the remuneration system refer to the respective target values granted for the respective fiscal year, irrespective of the time at which the remuneration component in question is paid out.

The pension expense is shown as the service cost in accordance with IAS 19, which is not "granted or owed" remuneration within the meaning of section 162 (1) sentence 1 of the AktG because it is not received by the member of the Executive Board in the year under review. It also includes other pension benefits such as surviving dependents' benefits and the use of company cars, as well as defined contribution pension plans where these are provided for under foreign legislation.

The maximum remuneration is the maximum remuneration within the meaning of section 87a (1) sentence 2 no. 1 of the AktG in accordance with the remuneration system resolved by the Supervisory Board and approved by the Annual General Meeting.

Moreover, in accordance with the remuneration system resolved by the Supervisory Board on December 16, 2020, and approved by the Annual General Meeting on June 30, 2021, the employment contracts of the members of the Executive Board contain a penalty and clawback provision. TRATON SE did not make use of these regulations in fiscal year 2021.

Further explanations about the individual tables can be found below the tables.

Christian Levin

REMUNERATION COMPONENT

2021

		€ thousand ¹	in %
Fixed remuneration components			
Base salary	TRATON SE	414	58
	Scania CV AB	407	
	TRATON AB	187	
Fringe benefits	TRATON SE	0	2
	Scania CV AB	22	
	TRATON AB	14	
Total	TRATON SE	414	60
	Scania CV AB	430	
	TRATON AB	201	
	Total	1,045	
Variable remuneration components			
Multi-year variable remuneration			
– Profit bonus (target amount €883 thousand per annum)	TRATON SE	0	0
	Scania CV AB	0	
	TRATON AB	0	
– LTI 2020–2022 (performance share plan, three-year term; target amount €1,175 thousand per annum) — advance payment	TRATON SE	149	42
	Scania CV AB	0	
	TRATON AB	595	
Sum — remuneration granted and owed	TRATON SE	563	100
	Scania CV AB	407	
	TRATON AB	782	
	Total	1,752	
Pension expenses	TRATON SE	0	
	Scania CV AB	382	
	TRATON AB	713	
Total remuneration including pension expenses	TRATON SE	563	
	Scania CV AB	789	
	TRATON AB	1,495	
	Total	2,847	
Maximum remuneration			
Total		4,275	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG		0	

¹Contractually agreed exchange rate: SEK 10.30 = €1

Mathias Carlbaum

REMUNERATION COMPONENT

2021

		€ thousand	in %
Fixed remuneration components			
Base salary	TRATON SE	37	58
	Navistar	150	
Fringe benefits	TRATON SE	0	42
	Navistar ¹	136	
Total	TRATON SE	37	100
	Navistar	286	
	Total	323	
Variable remuneration components			
Multi-year variable remuneration			
– Profit bonus (target amount €750 thousand per annum)	TRATON SE	0	0
	Navistar	0	
– LTI (performance share plan, four-year term; target amount €996 thousand per annum)	TRATON SE	0	0
	Navistar	0	
Sum — remuneration granted and owed	TRATON SE	37	100
	Navistar	286	
	Total	323	
Pension expenses			
Total remuneration including pension expenses	TRATON SE	0	
	Navistar	86	
Total remuneration including pension expenses	TRATON SE	37	
	Navistar	371	-
	Total	409	
Maximum remuneration			
Total		925	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG		0	

¹ The fringe benefits also include benefits due to Mr. Carlbaum's appointment to Navistar.

Antonio Roberto Cortes

REMUNERATION COMPONENT		2021	
		€ thousand ¹	in %
Fixed remuneration components			
Base salary	TRATON SE	124	69
	MAN Latin America	496	
Fringe benefits	TRATON SE	0	3
	MAN Latin America	24	
Total	TRATON SE	124	72
	MAN Latin America	520	
	Total	644	
Variable remuneration components			
Multi-year variable remuneration			
– Profit bonus (target amount €310 thousand per annum)	TRATON SE	0	0
	MAN Latin America	0	
– LTI 2020–2022 (performance share plan, three-year term; target amount €310 thousand per annum) — advance payment	TRATON SE	50	28
	MAN Latin America	198	
Sum — remuneration granted and owed	TRATON SE	174	100
	MAN Latin America	718	
	Total	892	
Pension expenses	TRATON SE	0	
	MAN Latin America	247	
Total remuneration including pension expenses	TRATON SE	174	
	MAN Latin America	966	–
	Total	1,139	
Maximum remuneration			
Total		1,750	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG		0	

¹Contractually agreed exchange rate: BRL 6.36 = €1

Annette Danielski

REMUNERATION COMPONENT	2021	
	€ thousand	in %
Fixed remuneration components		
Base salary	175	94
Fringe benefits	12	6
Total	187	100
Variable remuneration components		
Multi-year variable remuneration		
– Profit bonus (target amount €700 thousand per annum)	0	0
– LTI (performance share plan, four-year term; target amount €930 thousand per annum)	0	0
Sum — remuneration granted and owed	187	100
Pension expenses	11	
Total remuneration including pension expenses	198	–
Maximum remuneration	925	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG	0	

Matthias Gründler¹

REMUNERATION COMPONENT	2021	
	€ thousand	in %
Fixed remuneration components		
Base salary	1,012	93
Fringe benefits	71	7
Total	1,084	100
Variable remuneration components		
Multi-year variable remuneration		
– Profit bonus (target amount €1,350 thousand per annum)	0	0
– LTI (performance share plan, three-year term; target amount €1,800 thousand per annum)	0	0
Sum — remuneration granted and owed	1,084	100
Pension expenses	348	
Total remuneration including pension expenses	1,431	–
Maximum remuneration	4,125	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG	0	

¹ Until September 30, 2021

Henrik Henriksson¹

REMUNERATION COMPONENT

2021

		€ thousand ²	in %
Fixed remuneration components			
Base salary	TRATON SE	50	94
	Scania CV AB	200	
Fringe benefits	TRATON SE	0	6
	Scania CV AB	17	
Total	TRATON SE	50	100
	Scania CV AB	217	
	Total	267	
Variable remuneration components			
Multi-year variable remuneration			
– Profit bonus (target amount €750 thousand per annum)	TRATON SE	0	0
	Scania CV AB	0	
– LTI 2020–2022 (performance share plan, three-year term; target amount €996 thousand per annum)	TRATON SE	0	0
	Scania CV AB	0	
Sum — remuneration granted and owed	TRATON SE	50	100
	Scania CV AB	217	
	Total	267	
Pension expenses	TRATON SE	0	
	Scania CV AB	148	
Total remuneration including pension expenses	TRATON SE	50	
	Scania CV AB	365	
	Total	415	
Maximum remuneration			
Total		1,333	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG		0	

¹ Until April 30, 2021

² Contractually agreed exchange rate: SEK 10.30 = €1

Bernd Osterloh

REMUNERATION COMPONENT	2021	
	€ thousand	in %
Fixed remuneration components		
Base salary	467	86
Fringe benefits	76	14
Total	543	100
Variable remuneration components		
Multi-year variable remuneration		
– Profit bonus (target amount €700 thousand per annum)	0	0
– LTI (performance share plan, four-year term; target amount €930 thousand per annum)	0	0
Sum — remuneration granted and owed	543	100
Pension expenses	187	
Total remuneration including pension expenses	729	-
Maximum remuneration	2,467	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG	0	

Christian Schulz¹

REMUNERATION COMPONENT	2021	
	€ thousand	in %
Fixed remuneration components		
Base salary	525	40
Fringe benefits	45	3
Total	570	43
Variable remuneration components		
Multi-year variable remuneration		
– Profit bonus (target amount €700 thousand per annum)	0	0
– LTI 2020–2022 (performance share plan, three-year term; target amount €930 thousand per annum) — advance payment	744	57
Sum — remuneration granted and owed	1,314	100
Pension expenses	180	
Total remuneration including pension expenses	1,495	-
Maximum remuneration	2,775	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG	0	

¹ Until September 30, 2021

Dr. Ing. h.c. Andreas Tostmann¹

REMUNERATION COMPONENT	2021	
	€ thousand	in %
Fixed remuneration components		
Base salary	629	42
Fringe benefits	65	4
Total	694	46
Variable remuneration components		
Multi-year variable remuneration		
– Profit bonus (target amount €700 thousand per annum)	0	0
– LTI (performance share plan, three-year term; target amount €930 thousand per annum)	0	0
Other		
Special payments	813	54
Sum — remuneration granted and owed	1,507	100
Pension expenses	187	
Total remuneration including pension expenses	1,694	-
Maximum remuneration	3,325	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG	0	

¹ Until November 24, 2021

Alexander Vlaskamp

REMUNERATION COMPONENT	2021	
	€ thousand	in %
Fixed remuneration components		
Base salary	71	88
Fringe benefits	10	12
Total	81	100
Variable remuneration components		
Multi-year variable remuneration		
– Profit bonus (target amount €750 thousand per annum)	0	0
– LTI (performance share plan, four-year term; target amount €996 thousand per annum)	0	0
Sum — remuneration granted and owed	81	100
Pension expenses	0	
Total remuneration including pension expenses	81	-
Maximum remuneration	375	
Clawback in accordance with section 162 (1) sentence 2 no. 4 of the AktG	0	

Explanation

Additional contractual agreements with the members of the Executive Board

Grandfathering of the fixed and bonus remuneration components for fiscal year 2021 (total of €1,638 thousand) resulting from a remuneration guarantee from his time at Volkswagen AG was contractually agreed with **Dr. Ing. h.c. Tostmann**. The amount paid to Dr. Ing. h.c. Tostmann is reported as a special payment. In addition, Dr. Ing. h.c. Tostmann was reimbursed for the costs of accommodation at his regular place of work and for weekly family trips home.

Mr. Vlaskamp will be reimbursed for the costs of accommodation at his regular place of work and for weekly family trips home for a period of 18 months. The Company is also assuming any relocation, moving, and real estate agent costs incurred as well as the costs of a tax advisor.

A contractual arrangement with **Mr. Cortes** specifies the payment of an amount to compensate for the higher tax burden in Germany.

For the duration of their appointments, **Ms. Danielski** and **Mr. Osterloh** will be reimbursed for the costs of accommodation at their regular places of work and for weekly family trips home.

The reimbursement of costs for accommodation at his regular place of work and assumption of the taxes levied on the monetary value of travel using the company car (including use of a driver) between the place of residence and the primary place of work were contractually agreed with **Mr. Gründler**. The entitlement to these benefits ceased when he stepped down from the Executive Board and with termination of his employment contract.

With the exception of the remuneration guarantee for Dr. Ing. h.c. Tostmann, these benefits to the members of the Executive Board are reported as fringe benefits.

PERFORMANCE CRITERIA FOR VARIABLE REMUNERATION

Bonus performance criteria

Financial subtargets

The following overviews show the values defined by the Supervisory Board for the threshold, target values, and maximum values for the financial subtargets, namely operating return on sales in the Industrial Business segment and return on investment in the Industrial Business segment for fiscal years 2021 and 2020, which are relevant to earnings, and the actual values or target achievement in percent. In the course of the Navistar takeover, the structure of the TRATON GROUP was realigned. In fiscal year 2021, for the purpose of including Navistar, the former Industrial Business segment was replaced by "TRATON Operations including Corporate Items (excluding consolidation effects between the TRATON Operations business area and the TRATON Financial Services segment and effects from the purchase price allocations to Financial Services)."

	2021	2020
Operating return on sales		
Maximum value	10.8%	10.8%
100% target level	6.0%	6.0%
Minimum value	4.0%	4.0%
Actual	0.5%	-0.1%
Actual average 2020/2021		0.2%
Target achievement (in %)		0.0%
Return on investment		
Maximum value	13.8%	13.8%
100% target level	7.7%	7.7%
Minimum value	3.8%	3.8%
Actual	0.8%	-0.1%
Actual average 2020/2021		0.3%
Target achievement (in %)		0%
Overall target achievement		0.0%

ESG targets

The following overview shows the values defined by the Supervisory Board for the minimum, target, and maximum values for the Social subtarget for fiscal year 2021 and the actual value or target achievement in percent in fiscal year 2021. In fiscal year 2021, the Environment subtarget was to develop and implement an indicator to measure Group-wide decarbonization/CO₂ reduction. This was a qualitative target. The Executive Board developed the ratio of the number of battery electric vehicles and fuel cell electric vehicles to the total number of vehicles sold, excluding the MAN TGE model, as a measure of Group-wide decarbonization/CO₂ reduction. In the future, this indicator will be used for the Environment subtarget. The Supervisory Board has assessed the development and implementation of this indicator and exercised its professional judgment in defining subtarget achievement as 1.0.

SOCIAL (OPINION INDEX)

Points	2021
Maximum value	79
100% target level	75
Minimum value	71
Actual	78
Subtarget achievement	1.2

For fiscal year 2021, the Supervisory Board defined a normal value of 1.0 for the Governance factor, taking account of and assessing the collective performance of the Executive Board as a whole and the performance of the current individual members of the Executive Board.

LTI performance criteria

LTI introductory phase

For members of the Executive Board who were already in office as of January 17, 2019, and in respect of the remuneration components, the remuneration system for the Executive Board generally makes a distinction between months and fiscal years beginning up to and including the month and fiscal year of TRATON SE's IPO in June 2019 (pre-IPO phase) and the months and fiscal years beginning after the month and fiscal year of TRATON SE's IPO (post-IPO phase). For this reason, the employment contracts of Mr. Levin and Mr. Schulz distinguish between the pre-IPO phase and the post-IPO phase in respect of the target amount for the performance share plan. For performance shares issued up to and including the fiscal year of TRATON SE's IPO, the LTI is based on the performance of Volkswagen AG (fiscal year 2019). For performance shares issued after that date, the LTI is based solely on the performance of TRATON SE (from fiscal year 2020).

In the introductory phase of the performance share plan, those members of the Executive Board who were members of the Executive Board as of January 17, 2019, will receive advances of 80% of their target amount for the first two tranches (2019–2021 tranche and 2020–2022 tranche) of the performance share plan. This affects Mr. Cortes, Mr. Levin, and Mr. Schulz. The two advances will each be paid after the first year of the performance period. These amounts are offset against the actual achievement of targets at the end of the relevant three-year performance period. The advance on the 2020–2022 tranche was paid out at the start of fiscal year 2021 and will be reported as remuneration granted and owed in fiscal year 2021.

EPS target values

The following overviews show the minimum, target, and maximum values defined by the Supervisory Board at the beginning of the 2019–2021, 2020–2022, and 2021–2023 or 2021–2024 performance periods and which actual values or target achievement in percent were already recorded for individual years in the assessment period. The performance share plans for the 2019–2021, 2020–2022, and 2021–2023 or 2021–2024 performance periods were not yet due in fiscal year 2021 and had not yet been paid out. They are therefore not considered to be remuneration granted or owed in fiscal year 2021.

PERFORMANCE PERIOD 2019–2021

EPS Volkswagen preferred shares (pre-IPO)

€	2021	2020	2019
Maximum value	30.00	30.00	30.00
100% target level	20.00	20.00	20.00
Minimum value	10.00	10.00	10.00
Actual	29.60	16.66	26.66
Target achievement (in %)	148.0	83	133.3

PERFORMANCE PERIOD 2020–2022

EPS TRATON shares (post-IPO)

€	2021	2020
Maximum value	4.32	4.32
100% target level	2.90	2.90
Minimum value	1.95	1.95
Actual	0.91	-0.20
Target achievement (in %)	-	-

PERFORMANCE PERIOD 2021–2023

EPS TRATON shares

€	2021
Maximum value	4.32
100% target level	2.90
Minimum value	1.95
Actual	0.91
Target achievement (in %)	-

PERFORMANCE PERIOD 2021–2024

EPS TRATON shares

€	2021
Maximum value	4.32
100% target level	2.90
Minimum value	1.95
Actual	0.91
Target achievement (in %)	-

Reference prices/dividend equivalent for the performance period

The reference prices and dividend equivalent for the performance periods are shown in the following overview.

€	2021-2024 ²	2021-2023 ²	2020-2022 ²	2019-2021 ³
Initial reference price	22.40	22.40	24.58	147.08
Closing reference price ¹			-	175.75
Dividend equivalent				
2019			-	4.86
2020			1.00	4.86
2021	0.25	0.25	0.25	4.86

¹ Determined at the end of the performance period

² TRATON shares

³ Volkswagen preferred shares

ALIGNMENT WITH THE REMUNERATION SYSTEM

The remuneration granted and owed to the members of the Executive Board in fiscal year 2021 complies with the requirements of the Executive Board remuneration system. There was no deviation from the valid remuneration system in fiscal year 2021. The bonus payouts and the advance payments on the performance share plan for the 2020–2022 performance period were not reduced because the caps of 180% on the bonus target amount and 200% on the target amount for the performance share plan were not exceeded. Overall, the remuneration granted and owed to the members of the Executive Board in fiscal year 2021 did not exceed the maximum remuneration prescribed by the remuneration system.

BENEFITS AND DEFINED BENEFITS IN CONNECTION WITH TERMINATION

Benefits and defined benefits granted to members of the Executive Board in the event of early termination

The Executive Board remuneration system and employment contracts of the members of the Executive Board prescribe termination periods and severance payments in the event of revocation of the appointment of a member of the Executive Board and the mutual termination of the Executive Board function. If an appointment is revoked without cause within the meaning of section 626 of the *Bürgerliches Gesetzbuch* (BGB — German Civil Code), the employment contract will generally end after a period of 12 months. Other than in cases of cause justifying extraordinary termination of the employment contract by the Company, members of the Executive Board receive a severance payment in the amount of their gross remuneration for the remaining period of the employment contract, capped at two times the annual gross income. As a rule, the annual gross income used as the basis for calculating the severance payment consists of the fixed remuneration paid in the previous year plus the variable remuneration components defined for the previous year.

The severance payment is paid in twelve equal monthly gross installments from the end of the employment contract. Contractual remuneration paid by the Company for the time between termination of the appointment and the end of the employment contract is offset against the severance payment. If a member of the Executive Board takes up a new position after termination of the appointment, the severance payment will be reduced by the income from the new position. If a post-contractual restraint on competition has been agreed, the severance payment will be offset against the waiting allowance. No severance payment will be made if the member of the Executive Board continues to work for the Company or for another Volkswagen Group company in the context of an employment contract.

The members of the Executive Board are also generally entitled to retirement, disability, and surviving dependents' benefits in the event of early termination of their appointment without having entered retirement (cf. the following section for further information), although the minimum plan assets will only be maintained as ratably reduced plan assets pursuant to sections 2 (1) and 2a (1) of the *Gesetz zur Verbesserung der betrieblichen Altersversorgung* (BetrAVG — German Occupational Pensions Act). Pursuant to section 2a (2) item 2a) of the BetrAVG, the maintained portion of the minimum plan assets is adjusted by 1% per annum from the Board member's departure from the Company until the benefits fall due.

Defined benefits granted to members of the Executive Board in the event of regular termination of their roles

TRATON SE generally grants retirement, disability, and surviving dependents' benefits to the members of the Executive Board. As a rule, the agreed retirement benefits are paid when the Executive Board member reaches the age of 65. However, Executive Board members who are also members of the Executive Board of a foreign subsidiary of TRATON SE do not receive retirement benefits from TRATON SE but from the respective foreign subsidiary. TRATON SE maintains the occupational pension plans for Ms. Danielski, Mr. Gründler, Mr. Schulz, Dr. Ing. h.c. Tostmann, Mr. Osterloh, and Mr. Vlaskamp. The occupational pension plans

for the other members of the Executive Board are maintained by Scania CV AB (Mr. Henriksson, Mr. Carlbaum, and Mr. Levin), TRATON AB (Mr. Levin), and MAN Latin America (Mr. Cortes).

Entitlements to such benefits granted by TRATON SE are accumulated under a defined contribution system, the Capital Account Plan, with the value of benefits dependent upon the performance of certain fund indices. TRATON SE pays an annual contribution of 40% of the contractually agreed fixed remuneration in the calendar year. Executive Board members may elect to make contributions themselves out of their gross salary.

Contributions and interest are held in individual capital accounts. The performance of the capital account is directly linked to the capital markets and is determined by a basket of indices and other suitable parameters. The risk of the investments is gradually reduced as the beneficiaries get older (life cycle concept).

At retirement, the beneficiary may elect to receive the balance of the capital account, or at a minimum the total amount of the contributions, as a lump-sum payment, in installments, or as an annuity at an insurance rate valid as of the date of retirement.

In the event of disability or death, the beneficiary is paid the accumulated account balance, or a minimum of €2,000 thousand.

The following overview shows the individual pension entitlements of the members of the Executive Board and their cash value as of December 31, 2021, as well as the associated amount expensed or provided for post-employment benefits in fiscal year 2021, if applicable considering the special features of the applicable foreign legislation in each case. The measurement of post-employment benefits also includes other pension benefits such as surviving dependents' benefits and the use of company cars, as well as defined contribution plans provided for by foreign legislation where expense is incurred in the year under review.

€ thousand	Cash value	Expense/provisions in fiscal year 2021
Christian Levin (until April 30, TRATON AB; from May 1, Scania CV AB)	0 (TRATON AB) and 342 (Scania CV AB)	713 (TRATON AB) and 382 (Scania CV AB)
Matthias Gründler (TRATON SE)	807	463
Mathias Carlbaum (Scania CV AB)	136	86
Roberto Cortes (MAN Latin America)	0	247
Annette Danielski (TRATON SE)	320	11
Henrik Henriksson (Scania CV AB)	391	148
Bernd Osterloh (TRATON SE)	193	187
Christian Schulz (TRATON SE)	1,036	240
Dr. Ing. h.c. Andreas Tostmann (TRATON SE)	416	208
Alexander Vlaskamp (TRATON SE)	28	0

In the event of the regular termination of their function, the members of the Executive Board who were previously provided with a company car by TRATON SE may be able to use a company car under certain circumstances. The respective Executive Board member must have held the function for a total of at least ten years, or must have worked for the Company for a total of at least 15 years, or the Supervisory Board considers the provision of a company car in retirement to be appropriate and in the Company's interest.

On account of Mr. Osterloh's long service with the Volkswagen Group, it was agreed in his employment contract that the minimum term of office that is the condition for the use of a company car in retirement should be considered to have been fulfilled when he retires at the end of his term of office.

No changes were made to the commitments explained in this section in fiscal year 2021.

Benefits and defined benefits to members of the Executive Board who stepped down in fiscal year 2021

Mr. Henriksson stepped down in fiscal year 2021. He was originally appointed as a member of the Executive Board of TRATON SE and as President and Chief Executive Officer of Scania CV AB and Scania AB until the end of January 17, 2024. TRATON SE and Mr. Henriksson mutually agreed the premature termination of his Executive Board function effective the end of April 30, 2021. At the same time, Scania CV AB and Mr. Henriksson also agreed the premature termination of his functions with the company. Both TRATON SE and Scania CV AB concluded termination agreements with Mr. Henriksson. The object of both termination agreements included the annulment of the employment contracts effective April 30, 2021. The parties agreed to settle and grant Mr. Henriksson's fixed and variable remuneration and fringe benefits up until the termination. The target bonus amount and the target amount for the performance share plan tranche for the 2021–2023 performance period were reduced pro rata temporis (4/12) for fiscal year 2021. It was agreed with Mr. Henriksson that he would receive no advance payment for the 2020–2022 performance period. In return for not exercising a competitive function for a period of 18 months following the date of termination, the companies agreed to grant Mr. Henriksson a monthly gross waiting allowance of €21 thousand (TRATON SE) and €84 thousand (Scania CV AB).

Mr. Schulz also stepped down prematurely in fiscal year 2021 on the basis of a mutual agreement to terminate his function effective the end of September 30, 2021. He was originally appointed as a member of the Executive Board until January 17, 2024. TRATON SE concluded a termination agreement with Mr. Schulz as a result. The object of the termination agreement included the annulment of the employment contract effective December 31, 2022. TRATON SE has agreed to continue paying Mr. Schulz his monthly fixed remuneration until the end of his employment contract, and to pay the bonuses for fiscal years 2021 and 2022 and the LTI for the 2021–2023 and 2022–2024 performance periods as contractually agreed and with no pro rata temporis reduction. Until midnight on September 30, 2021, Mr. Schulz retained the use of all company cars. In addition, Mr. Schulz was granted the private use of his second and third company cars and entitlement to fringe benefits until the end of his employment contract. TRATON SE will also pay Mr. Schulz's pension contributions until this date. In return for not exercising a competitive function for a period of nine months following the termination of his employment contract, TRATON SE agreed to grant Mr. Schulz a monthly gross waiting allowance of €97,000.

Mr. Gründler was originally appointed as a member of the Executive Board and as Chairman of the Executive Board until July 15, 2023. By mutual agreement with TRATON SE, he stepped down as a member of the Executive Board and as Chairman of the Executive Board effective the end of September 30, 2021. TRATON SE concluded a termination agreement with Mr. Gründler as a result. The object of the termination agreement included the continuation of Mr. Gründler's employment contract until its regular termination effective the end of July 15, 2023. TRATON SE has agreed to continue paying Mr. Gründler his monthly fixed remuneration until termination of his employment contract. In fiscal years 2021 and 2022, Mr. Gründler will receive a bonus without any pro rata temporis reduction in the target amount; he will also participate in the performance share plan for the 2021–2023 and 2022–2024 performance periods without any pro rata temporis reduction. In fiscal year 2023, the bonus target amount and the target amount of the performance share plan for the 2023–2024 performance period will be reduced pro rata temporis (196/365). Until the end of his employment contract, Mr. Gründler will continue to have private use of his company cars and will be generally entitled to fringe benefits. In derogation of this, TRATON SE assumed the costs of hotel accommodation, a serviced apartment, or a rental apartment in Munich only until the end of September 30, 2021, or until the end of the period of notice on the rental agreement. TRATON SE will continue to pay pension contributions for Mr. Gründler until his employment contract ends.

Dr. Ing. h.c. Tostmann also stepped down in the fiscal year under review. He was originally appointed as a member of the Executive Board of TRATON SE and as Chairman of the Executive Boards of MAN SE and MAN Truck & Bus SE until July 15, 2023. TRATON SE and Dr. Ing. h.c. Tostmann mutually agreed the premature termination of his Executive Board function effective the end of November 24, 2021. At the same time, MAN Truck & Bus SE and Dr. Ing. h.c. Tostmann also agreed the premature termination of his functions with the company. TRATON SE and MAN Truck & Bus SE concluded a tripartite termination agreement with Dr. Ing. h.c. Tostmann as a result. The object of these termination agreements included the continuation of Dr. Ing. h.c. Tostmann's employment contract with TRATON SE until its regular termination effective the end of July 15, 2023. TRATON SE has agreed to continue paying Dr. Ing. h.c. Tostmann his monthly fixed remuneration until termination of his employment contract. In fiscal years 2021 and 2022, Dr. Ing. h.c. Tostmann will receive a bonus without any pro rata temporis reduction in the target amount; he will also participate in the performance share plan for the 2021–2023 and 2022–2024 performance periods without any pro rata temporis reduction. In fiscal year 2023, the bonus target amount and the target amount of the performance share plan for the 2023–2025 performance period will be reduced pro rata temporis (196/365). Until the end of his employment contract, Dr. Ing. h.c. Tostmann will continue to have private use of his two company cars and will be generally entitled to fringe benefits. In derogation of this, TRATON SE assumed the contractually agreed costs of family trips home only until the end of November 24, 2021, and will assume the costs of hotel accommodation, a serviced apartment, or a rental apartment in Munich only until the end of the period of notice for the rental agreement if notice is given in November 2021 or until February 28, 2022, at the latest. TRATON SE will continue to pay pension contributions for Dr. Ing. h.c. Tostmann until his employment contract ends. The employment contract with MAN Truck & Bus SE ended effective the end of November 24, 2021. Dr. Ing. h.c. Tostmann is not entitled to any remuneration from MAN Truck & Bus SE.

NO CLAWBACK IN FISCAL YEAR 2021

There was no clawback of variable remuneration components from individual Executive Board members by TRATON SE in fiscal year 2021. None of the circumstances justifying a clawback existed.

REMUNERATION OF FORMER EXECUTIVE BOARD MEMBERS

In accordance with section 162 (1) sentence 1 of the AktG, the remuneration report must also detail the remuneration granted and owed to former members of the Executive Board.

Remuneration granted and owed in fiscal year 2021 (individual)

In accordance with section 162 (5) sentence 2 of the AktG, the obligation to report individually on the remuneration granted and owed to former members of the Executive Board extends to the remuneration granted and owed until the end of ten years after the fiscal year in which the former Executive Board member ended their role as a member of the Executive or Supervisory Board of TRATON SE.

Table overview

The following tables show the individual remuneration granted and owed in fiscal year 2021 to former members of the Executive Board who stepped down after fiscal year 2011. The bonuses for fiscal year 2021 paid out at the start of 2022 are included in the remuneration granted in fiscal year 2021 for both active and former members of the Executive Board.

Joachim Drees

Member of the Executive Board of TRATON SE;
CEO of MAN SE and MAN Truck & Bus SE
Left July 15, 2020

	2021	
	€ thousand	in %
Pension payments	0	0
Base salary	700	47
Fringe benefits	59	4
Profit bonus	0	0
LTI 2020–2022 (performance share plan) — advance payment	744	50
Severance payments	0	0
Sum — remuneration granted and owed	1,503	100
Pension expense	0	–

Matthias Gründler

Chief Executive Officer of TRATON SE
Left September 30, 2021

	2021	
	€ thousand	in %
Pension payments	0	0
Base salary	337	92
Fringe benefits	30	8
Profit bonus	0	0
LTI (performance share plan)	0	0
Severance payments	0	0
Sum — remuneration granted and owed	368	100
Pension expense	116	–

Professor Dr. Carsten Intra

Member of the Executive Board & *Arbeitsdirektor* of TRATON SE;
 Chief Human Resources Officer & *Arbeitsdirektor* of MAN SE and MAN Truck & Bus SE
 Left July 15, 2020

	2021	
	€ thousand	in %
Pension payments	0	0
Base salary	0	0
Fringe benefits	0	0
Profit bonus	0	0
LTI 2020–2022 (performance share plan) — advance payment	403	100
Severance payments	0	0
Sum — remuneration granted and owed	403	100
Pension expense	0	–

Christian Schulz

Member of the Executive Board of TRATON SE, CFO
 Left September 30, 2021

	2021	
	€ thousand	in %
Pension payments	0	0
Base salary	175	83
Fringe benefits	37	17
Profit bonus	0	0
Severance payments	0	0
Sum — remuneration granted and owed	212	100
Pension expense	60	–

Dr. Ing. h.c. Tostmann

Member of the Executive Board of TRATON SE; CEO of MAN SE¹ and MAN Truck & Bus SE
 Left November 24, 2021

	2021	
	€ thousand	in %
Pension payments	0	0
Base salary	71	35
Fringe benefits	37	19
Profit bonus	0	0
LTI (performance share plan)	0	0
Special payments ²	92	46
Severance payments	0	0
Sum — remuneration granted and owed	200	100
Pension expense	21	–

¹ Until August 31, 2021 (merger between MAN SE and TRATON SE)

² For remuneration guarantee, see the explanations given under additional contractual agreements

Explanation

In addition to his activity as a member of the Executive Board of TRATON SE, Mr. Drees was a member of the Executive Boards of MAN SE and MAN Truck & Bus SE until his departure effective the end of July 15, 2020. The employment contract between Mr. Drees and TRATON SE will continue until its planned end on January 17, 2024. The Supervisory Board of MAN Truck & Bus SE has resolved that MAN Truck & Bus SE will continue to reimburse TRATON SE for 80% of the expenses for Mr. Drees's remuneration until the regular end of his original appointment as a member of the Executive Board of MAN Truck & Bus SE, i.e., until March 31, 2023.

Professor Intra was a member of the Executive Board of TRATON SE until the end of July 15, 2020. Until this time, Professor Intra was also a member of the Executive Boards of MAN SE and MAN Truck & Bus SE. His employment contracts with TRATON SE and MAN Truck & Bus SE ended when he stepped down from his Executive Board positions. At no time was there an employment contract with MAN SE. In the fiscal year under review, Professor Intra received an advance payment on the 2020-2022 performance share plan from TRATON SE. The Supervisory Board of MAN Truck & Bus SE has resolved that MAN Truck & Bus SE will reimburse TRATON SE for 20% of the expenses for Professor Intra.

Comparative presentation

The following table shows a year-on-year comparison of the percentage change in remuneration for the members of the Executive Board with the earnings performance of TRATON SE and with the average remuneration for employees on FTE basis.

Earnings performance is calculated using the following earnings-related key performance indicators of TRATON SE and the TRATON GROUP, which are published in TRATON SE's annual reports: the earnings after tax of TRATON SE in accordance with German GAAP and the TRATON GROUP's operating return on sales.

The development of the average remuneration of employees is shown on the basis of two indicators. First, the average remuneration of employees is calculated by adjusting TRATON SE's personnel expenses as reported in the single-entity financial statements of TRATON SE to exclude the remuneration of the Group's Executive Board members. The adjusted personnel expenses are divided by the number of TRATON SE employees on FTE basis as of December 31, 2021, excluding the members of the Executive Board (employees of TRATON SE). Second, the personnel expenses of the TRATON GROUP, as reported in the notes to the consolidated financial statements, adjusted to exclude the remuneration of the Group's Executive Board members, are divided by the number of employees of the TRATON GROUP (headcount) (employees of the TRATON GROUP).

ANNUAL CHANGE IN %	2021 compared with 2020 ²
Executive Board remuneration¹	
Carlbaum, Mathias ³	-
Cortes, Roberto	-10.6%
Danielski, Annette ³	-
Drees, Joachim	3.8%
Gründler, Matthias	69.0%
Henriksson, Henrik	-85.0%
Intra, Dr. Carsten	-59.5%
Levin, Christian	25.1%
Osterloh, Bernd ³	-
Schulz, Christian	6.1%
Tostmann, Dr. Andreas	96.9%
Vlaskamp, Alexander ³	-
Earnings performance	
Earnings after tax of TRATON SE in accordance with German GAAP ⁴	-
Operating return on sales of the TRATON GROUP	0.9 pp
Development of employee remuneration⁵	
Employees of TRATON SE	7.5%
Employees of the TRATON GROUP	1.1%

¹ Remuneration granted and owed within the meaning of section 162 (1) sentence 1 of the AktG

² In accordance with the transitional provision of section 26j (2) sentence 2 of the EGAktG, only the average remuneration for the period from fiscal year 2020 and not the average remuneration for the past five fiscal years must be included in the comparison until the end of fiscal year 2025.

³ Only joined in fiscal year 2021

⁴ Percentage change in earnings after tax of TRATON SE in accordance with German GAAP from 2021 to 2020 cannot be presented because there were negative earnings in both fiscal year 2021 and fiscal year 2020.

⁵ Personnel expenses additionally adjusted for government grants in 2020 and the exceptional project profit sharing by selected managers in 2021

Peer group

The remuneration amount, the maximum remuneration, and the targets agreed individually are regularly reviewed by the Supervisory Board and adjusted if necessary. As part of this process, the Supervisory Board carries out a vertical comparison with the remuneration and employment conditions of the Company's employees and a horizontal comparison with the remuneration and employment conditions of executive board members of other companies. In order to assess how customary the total remuneration of specific Executive Board members is compared to other companies, the Supervisory Board uses a peer group comparison method. This peer group is reviewed and adjusted on a regular basis, most recently in December 2021. The peer group currently comprises the following companies: Caterpillar Inc., Continental AG, Cummins Inc., Daimler Truck AG, Deere & Company, Henkel AG & Co. KGaA, Komatsu Kabushiki kaisha, Magna International Inc., Mitsubishi Motors Corporation, Paccar Inc., Schaeffler AG, Tata Motors Ltd., Thyssenkrupp AG, Volvo AB.

REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

Principles of Supervisory Board remuneration

The remuneration of the members of the Supervisory Board is regulated in Article 16 of the Articles of Association of TRATON SE. According to section 113 (3) of the AktG, which has been amended on the basis of the ARUG II, the annual general meeting of a listed company must resolve on the remuneration of its supervisory board members at least every four years. It is permissible to confirm the existing remuneration. Moreover, information must be provided about the remuneration system for supervisory board members. In preparing the resolution for the Annual General Meeting, the Executive Board and Supervisory Board review whether the remuneration, especially its amount and structure, is still in the interests of TRATON SE and whether it is appropriate to the tasks performed by the members of the Supervisory Board and to the position of TRATON SE. In the Annual General Meeting on June 30, 2021, the Supervisory Board and Executive Board presented the existing remuneration for members of the Supervisory Board for confirmation and the remuneration system for a resolution to be adopted. In the Annual General Meeting on June 30, 2021, the remuneration was confirmed and the remuneration system approved by 99.99% of the votes cast.

Overview of the remuneration

Remuneration components

The remuneration of the members of the Supervisory Board consists of annual fixed remuneration and an attendance fee.

The annual fixed remuneration is €225 thousand for the Chairman of the Supervisory Board, €150 thousand for the Deputy Chairman of the Supervisory Board, and €75 thousand for each further member of the Supervisory Board.

For their work on committees, the members of the Supervisory Board receive additional annual fixed remuneration per committee provided the committee has met at least once per year for the performance of its duties. The annual fixed remuneration is €80 thousand for the chair of a committee, €60 thousand for the deputy chair of a committee, and €40 thousand for each further member of a committee. No remuneration will be paid for membership of the Nomination Committee or the Mediation Committee within the meaning of section 27 (3) of the *Mitbestimmungsgesetz* (MitBestG — German Codetermination Act), should such a committee be established in the future. If a member of the Supervisory Board is a member of several committees, remuneration will be paid only for the two committee functions with the highest fixed annual remuneration. The remuneration of the members of the Supervisory Board thus also complies with recommendation G.17 of the German Corporate Governance Code, which specifies that appropriate consideration be given to the greater investment of time required from the Chairman and Deputy Chairman of the Supervisory Board as well as from the chairs and deputy chairs of the committees.

The Supervisory Board members each receive an attendance fee of €1 thousand for attending a meeting of the Supervisory Board or of a committee. The attendance fee is paid only once, even if several meetings are held in one day.

The fixed annual remuneration becomes due after the end of the Annual General Meeting that accepts or decides to approve the consolidated financial statements for the fiscal year for which the remuneration is paid. The fixed annual remuneration will be reduced pro rata temporis if a member of the Supervisory Board or a committee is not a member for the full fiscal year or does not hold the office of Chairman or Deputy Chairman of the Supervisory Board or a committee for the full fiscal year. TRATON SE will reimburse any value-added tax that may be payable on the remuneration and expenses of Supervisory Board members.

TRATON SE will also ensure that liability insurance with a deductible is taken out for the members of the Supervisory Board.

Members of the Supervisory Board who step down from the Supervisory Board do not receive any further remuneration from TRATON SE for their past Supervisory Board activities after their departure.

How the remuneration contributes to promoting the long-term development of TRATON SE

The remuneration of the members of the Supervisory Board considers both the nature and extent of what is required of a member of the Supervisory Board of TRATON SE, especially the associated investment of time and the associated responsibility. The remuneration is in line with standard market practice in terms of its structure, and the amount is commensurate with the tasks of the members of the Supervisory Board and with the position of TRATON SE, also in comparison with the remuneration of the members of the supervisory boards of other listed companies of a similar size in Germany.

The remuneration makes it possible to attract suitable and qualified candidates as Supervisory Board members. Therefore, the remuneration of the members of the Supervisory Board contributes to enabling the Supervisory Board as a whole to exercise its governance role and advise the Executive Board appropriately and competently. The restriction to just one fixed remuneration is also in line with these Supervisory Board tasks. It is an incentive to the members of the Supervisory Board to ask appropriate questions when exercising their governance role and advising the Executive Board, without primarily focusing on the development of operational performance indicators. Together with the Executive Board, the Supervisory Board thus promotes the business strategy and long-term development of TRATON SE. Moreover, the restriction to just one fixed remuneration is in line with suggestion G.18 sentence 1 of the Code.

REMUNERATION OF SUPERVISORY BOARD MEMBERS IN FISCAL YEAR 2021

Remuneration granted and owed to the Supervisory Board members active in fiscal year 2021

The following table shows the serving members of the Supervisory Board of TRATON SE in fiscal year 2021 and the remuneration granted and owed to the individual members of the Supervisory Board in fiscal year 2021. Remuneration “granted and owed” has the same meaning as described for members of the Executive Board. The remuneration shown in the table therefore represents the amounts actually received in fiscal year 2021, i.e., the remuneration paid to the members of the Supervisory Board for their roles on the Supervisory Board in fiscal year 2021, even if the remuneration is not owed until the year following the end of the Annual General Meeting.

	FIXED REMUNERATION		WORK IN THE COMMITTEES		ATTENDANCE FEES		TOTAL	REMUNERATION FROM OTHER GROUP APPOINTMENTS
	2021		2021		2021		2021	2021
	€ thousand	in %	€ thousand	in %	€ thousand	in %	€ thousand	€ thousand
Pötsch, Hans Dieter	225	72	80	26	7	2	312	-
Lyngsie, Michael ²	-	-	-	-	-	-	-	-
Bechstädt, Torsten ¹	75	52	60	41	10	7	145	-
Carlquist, Mari ^{2,4}	-	-	-	-	-	-	-	-
Cavallo, Daniela ¹	42	61	22	32	5	7	69	-
Döss, Dr. Manfred ²	-	-	-	-	-	-	-	-
Kerner, Jürgen ¹	75	81	11	13	6	6	92	68
Kilian, Gunnar ²	-	-	-	-	-	-	-	-
Kirchmann, Dr. Albert X.	75	91	-	-	7	9	82	17
Kuhn-Piëch, Dr. Julia	75	60	40	32	10	8	125	26
Lorentzon, Lisa ^{2,4}	-	-	-	-	-	-	-	-
Luthin, Bo ^{2,4}	-	-	-	-	-	-	-	-
Macpherson, Nina	75	60	40	32	9	7	124	67
Osterloh, Bernd ¹	25	64	13	34	1	3	39	0

¹ These employee representatives have stated that they will transfer their Supervisory Board remuneration to the Hans Böckler Foundation in accordance with the guidelines issued by the German Confederation of Trade Unions (DGB).

² Remuneration for fiscal year 2021 was waived in full.

³ Remuneration for the year to June 30, 2021, was waived in full.

⁴ In view of the waivers, the Executive Board of TRATON SE decided that it will make a contribution of €436 thousand to “Scania Personalstiftelse 1996” after the 2022 Annual General Meeting.

	FIXED REMUNERATION		WORK IN THE COMMITTEES		ATTENDANCE FEES		TOTAL	REMUNERATION FROM OTHER GROUP APPOINTMENTS
	2021		2021		2021		2021	2021
	€ thousand	in %	€ thousand	in %	€ thousand	in %	€ thousand	€ thousand
Porsche, Dr. Dr. Christian	75	61	40	33	8	7	123	27
Schmid, Dr. Wolf-Michael	75	91	-	-	7	9	82	-
Schnur, Karina ¹	75	61	40	33	8	7	123	50
Stimoniariis, Athanasios ¹	100	69	40	28	4	3	144	55
Wansch, Markus ¹	19	91	-	-	2	9	21	50
Werner, Hiltrud Dorothea ²	-	-	-	-	-	-	-	-
Witter, Frank ³	37	46	40	49	4	5	81	-
Zieger, Steffen ¹	75	95	-	-	4	5	79	25

¹ These employee representatives have stated that they will transfer their Supervisory Board remuneration to the Hans Böckler Foundation in accordance with the guidelines issued by the German Confederation of Trade Unions (DGB).

² Remuneration for fiscal year 2021 was waived in full.

³ Remuneration for the year to June 30, 2021, was waived in full.

⁴ In view of the waivers, the Executive Board of TRATON SE decided that it will make a contribution of €436 thousand to "Scania Personalstiftelse 1996" after the 2022 Annual General Meeting.

Comparative presentation

The following table shows a year-on-year comparison of the percentage change in remuneration for the members of the Supervisory Board with the earnings performance of TRATON SE and with the average remuneration for employees on FTE basis.

Earnings performance is calculated using the following earnings-related key performance indicators of TRATON SE and the TRATON GROUP, which are published in TRATON SE's annual reports: the earnings after tax of TRATON SE in accordance with German GAAP and the TRATON GROUP's operating return on sales.

The development of the average remuneration of employees is shown on the basis of two indicators. First, the average remuneration of employees is calculated by adjusting TRATON SE's personnel expenses as reported in the single-entity financial statements of TRATON SE to exclude the remuneration of the Group's Executive Board members. The adjusted personnel expenses are divided by the number of TRATON SE employees on FTE basis as of December 31, 2021, excluding the members of the Executive Board (employees of TRATON SE). Second, the personnel expenses of the TRATON GROUP, as reported in the notes to the consolidated financial statements, adjusted to exclude the remuneration of the Group's Executive Board members, are divided by the number of employees of the TRATON GROUP (headcount) (employees of the TRATON GROUP).

ANNUAL CHANGE IN %	2021 COMPARED WITH 2020 ²
Supervisory Board remuneration¹	
Pötsch, Hans Dieter	0.3%
Lyngsie, Michael	0.0%
Bechstädt, Torsten	-1.4%
Carlquist, Mari	0.0%
Cavallo, Daniela ³	-
Döss, Dr. Manfred	0.0%
Kerner, Jürgen	-18.8%

¹ Remuneration granted and owed within the meaning of section 162 (1) sentence 1 of the AktG

² In accordance with the transitional provision of section 26j (2) sentence 2 of the EGAktG, only the average remuneration for the period from fiscal year 2020 and not the average remuneration for the past five fiscal years must be included in the comparison until the end of fiscal year 2025.

³ Only joined in fiscal year 2021

ANNUAL CHANGE IN %	2021 COMPARED WITH 2020 ²
Supervisory Board remuneration ¹	
Kilian, Gunnar	0.0%
Kirchmann, Dr. Albert X.	15.1%
Kuhn-Piëch, Dr. Julia	-16.6%
Lorentzon, Lisa	0.0%
Luthin, Bo	0.0%
Macpherson, Nina	-1.5%
Osterloh, Bernd	-67.5%
Porsche, Dr. Dr. Christian	17.2%
Schmid, Dr. Wolf-Michael	-1.2%
Schnur, Karina	-16.0%
Stimoniariis, Athanasios	-36.0%
Wansch, Markus ³	-
Werner, Hiltrud Dorothea	0.0%
Witter, Frank ⁴	-
Zieger, Steffen	-16.1%
Earnings performance	
Earnings after tax of TRATON SE in accordance with German GAAP ⁵	-
Operating return on sales of the TRATON GROUP	0.9 pp
Development of employee remuneration ⁶	
Employees of TRATON SE	7.5%
Employees of the TRATON GROUP	1.1%

¹ Remuneration granted and owed within the meaning of section 162 (1) sentence 1 of the AktG

² In accordance with the transitional provision of section 26j (2) sentence 2 of the EGAktG, only the average remuneration for the period from fiscal year 2020 and not the average remuneration for the past five fiscal years must be included in the comparison until the end of fiscal year 2025.

³ Only joined in fiscal year 2021

⁴ Mr. Witter waived his Supervisory Board remuneration in full in fiscal year 2020 and until June 30, 2021, in fiscal year 2021.

⁵ Percentage change in earnings after tax of TRATON SE in accordance with German GAAP from 2021 to 2020 cannot be presented because there were negative earnings in both fiscal year 2020 and fiscal year 2021.

⁶ Personnel expenses additionally adjusted for government grants related to income in 2020 and the exceptional project profit sharing by selected managers in 2021.

Independent auditor's report

To TRATON SE

We have audited the attached remuneration report of TRATON SE, Munich prepared to comply with Sec. 162 AktG ["Aktiengesetz": German Stock Corporation Act] for the fiscal year from 1st January 2021 to 31st December 2021 and the related disclosures.

Responsibilities of the executive directors and the supervisory board

The executive directors and supervisory board of TRATON SE are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, the executive directors and supervisory board are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on this remuneration report and the related disclosures based on our audit. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report and the related disclosures are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the remuneration report and the related disclosures. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the remuneration report and the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report and the related disclosures in order to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the accounting policies used and the reasonableness of accounting estimates made by the executive directors and supervisory board, as well as evaluating the overall presentation of the remuneration report and the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the fiscal year from 1st January 2021 to 31st December 2021 and the related disclosures comply, in all material respects, with the financial reporting provisions of Sec. 162 AktG.

Other matter – formal audit of the remuneration report

The audit of the content of the remuneration report described in this auditor's report comprises the formal audit of the remuneration report required by Sec. 162 (3) AktG and the issue of a report on this audit. As we are issuing an unqualified opinion on the audit of the content of the remuneration report, this also includes the opinion that the disclosures pursuant to Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects.

Limitation of liability

The "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" as issued by the IDW on 1st January 2017, which are attached to this report, are applicable to this engagement and also govern our responsibility and liability to third parties in the context of this engagement.

Munich, 7th March 2022

Ernst & Young GmbH

Wirtschaftsprüfungsgesellschaft

Meyer
Wirtschaftsprüfer
[German Public Auditor]

Hummel
Wirtschaftsprüfer
[German Public Auditor]