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Speech at the Annual General Meeting of TRATON SE, Matthias Gründler, CEO

Munich, September 23, 2020

Dear Shareholders,
Ladies and Gentlemen,

Last year, one of our customers told us: “We work with you because you share our great vision. And because you join us on this journey even though none of us know the exact destination yet.”

They were talking about the world’s largest order for electric trucks to date. Brewery Ambev ordered a total of 1,600 vehicles from us in Latin America. This is a bold step into new terrain. For me personally, this quote gets to the heart of the aspects that are crucial for TRATON:

- The vision of a sustainable future.
- The courage to tackle challenges, even big ones.
- A sense of togetherness.
- And also the close cooperation with our partners.

Our aim is clear: We are shaping the transportation of tomorrow. Around the world. As a Global Champion! We do this by carefully balancing the interests of People, Planet, and Performance. That was our mission as we went public last year.

I would have loved to meet you, our dear shareholders, in person. No one expected our first public Annual General Meeting to be a virtual one. All the more reason to give you a warm welcome today in this format! Welcome to TRATON!

For me, successfully shaping the future of TRATON is one of the most exciting jobs in the industry. This is why I am delighted to be back on board in my new role. Back in 2018, I got the IPO preparations off the ground as the Company’s CFO.

There is plenty of work to be done:

- As a society, we have to deal with the implications of the coronavirus pandemic worldwide.
- As the commercial vehicle industry, we are on our way to a carbon-neutral and digitalized future.
- As a relatively young holding company, the actions we take today determine our future success.

- In short: At TRATON, we are now building bridges to a new era.

Our mission is as follows: we want to be a Global Champion of the commercial vehicle industry. That is not an end in itself. It is the logical next step that we will reach if our three brands combine forces in the right way. We are in a unique position with Scania, MAN, and our Brazilian brand, Volkswagen Caminhões e Ônibus — or “Volkswagen Truck & Bus” as we meanwhile refer to the company on an international level — as each brand serves its own segment with specific customers:

- Scania is an innovation leader for sustainable transportation solutions in the premium segment.
- As a reliable partner for all requirements in the commercial vehicle segment, MAN offers a complete range of products — from light-duty commercial vehicles to heavy trucks.
- At Volkswagen Truck & Bus, the focus is on offering the best value for money for the growth markets in Latin America and Africa.

These profiles are suited to different customer requirements. The setup of our Company enables us to meet those in the best possible way. As a holding company, we are strengthening our common foundation, promoting collaboration, and expanding the power of each brand. It is clear to us that we are just getting started with this development. The results TRATON achieved between 2016 and 2019 show that we are on the right track. We reported record unit sales, sales revenue, and operating profit last year. Unit sales rose by four percent to just over 242,000 units compared to 2018. All brands contributed to this growth. Sales revenue also increased by four percent and came in at €26.9 billion. At €1.9 billion, operating profit grew by 25 percent. Operating return on sales rose by 1.2 percentage points and stood at seven percent. To sum it up, a solid performance in an increasingly difficult market environment.

What does that mean for you? A domination and profit and loss transfer agreement was in place between Volkswagen AG and TRATON SE until the end of 2019. As a result of this agreement, TRATON was obliged to transfer its net income for the previous fiscal year to Volkswagen AG. However, TRATON converted part of its capital reserves into distributable profit. The Executive and Supervisory Boards propose to use the distributable profit of €600 million as follows:

- €100 million as profit carried forward and
- €500 million for distribution of a dividend of one euro per share.

With this, we want to show you that placing your trust in our, in your young company pays off. Since our initial public offering over a year ago, we have continued to evolve — and not just through cooperation projects within our Group and with our strategic partners. Our organization has also grown in terms of its culture. A focal point here is the way we at TRATON work together — with diversity and inclusion as integral components. Our aim is to give people from different backgrounds and with different strengths

the chance to contribute their perspective to our Company. After all, embracing diversity can only increase our success. This is particularly important to me personally as well.

I would like to take this opportunity to give a big thank you to all our customers and partners. Thank you for the trust you place in us! Thank you for coming along on our journey toward new, innovative technologies. I would also like to thank our main shareholder. Now of all times, we are benefiting from the strength of a global Group. Thank you also to our Supervisory Board — especially to you, Hans Dieter Pötsch. You have supported and closely followed “Project TRATON” from the beginning.

Moreover, I would like to thank my predecessor, Andreas Renschler. His heart, soul, and foresight all went into laying the foundations for TRATON’s future.

And, it is very important to me to say thank you to my colleagues around the globe. You have driven TRATON forward over the years, and, especially during the turbulent recent months, shown what makes a great team. In doing so, you have gone above and beyond your actual duties and the Company itself — from coffee for tired truck drivers to logistics support for ventilator manufacturers. If things were different, all of you would be hearing the applause that you deserve right now!

Where does TRATON stand today? It was already clear that 2020 would not be an easy year for commercial vehicle manufacturers. We had pointed out the challenges of the first half of the year, in particular, even before the outbreak of the COVID-19 pandemic. Our markets slowed down tangibly at the end of 2019.

The Brexit debate and the trade war between China and the US did not make the environment any easier. And you know it as well as I do: commercial vehicles are capital goods, so they are a sensitive measure of economic cycles. We had expected headwind. We suddenly found ourselves in the eye of a hurricane.

Our markets are bearing the brunt of the global economic slump caused by the COVID-19 pandemic:

- The market for heavy-duty trucks in Europe declined by 44 percent in the first half of 2020.
- The Latin American market contracted by 20 percent.

These developments also left their mark on TRATON:

- Unit sales in the first half of this year fell by 37 percent in total compared to the previous year and stood at just over 77,700 units.
- Order intake was down 27 percent.
- Sales revenue came in at just over €10 billion in total, a decrease of 26 percent.

- We reported an operating loss of €220 million, with
- a corresponding reduction in operating return on sales to minus 2.2 percent.

And even though there has been an improvement recently in the business climate for transportation and logistics, a sustained recovery is still a long way off. This means that during the next stage of our journey, things will get bumpy. But we are learning and adapting. Changes are being implemented more quickly.

Logistics — and with it the commercial vehicle industry — has huge systemic importance. Transportation is and remains the lifeline of our economy. This is especially true for transportation by road. The empty supermarket shelves during lockdown showed that quite clearly! This is why we believe a financial helping hand for our industry makes absolute sense. We welcome the policymakers' intention to support the production and use of sustainable vehicles. Promoting state-of-the-art trucks and buses while withdrawing older models from the market is also a win-win for the environment and for road safety. Expanding the charging infrastructure for electric vehicles is a good and essential approach. It is important not to forget high-voltage charging points for heavy-duty commercial vehicles as part of this process. There are hardly any at this point in time.

What we have to do now is implement the measures that have been announced in a timely manner. The funding could jumpstart the industry's future. The coronavirus before and after will not be the same — even more so for us than for other branches!

Now is the beginning of a crucial stage of the journey to climate-neutral transportation. We want to make this reality on the roads by 2050 — no doubt about it for the TRATON GROUP as a whole. Similarly, digitalization will change our industry massively. Vehicle automation is on the rise. Added value continues to be generated increasingly in services. This is why I am especially delighted to be able to announce to you today a new cooperation initiative in the field of autonomous driving. We are partnering up with US company TuSimple to work on the development of autonomous trucks. TuSimple is a leader in autonomous trucks. We will shortly begin the first test drives with Scania trucks in Sweden. We acquired a stake in the company to underscore our commitment to this technology.

We are setting sail for a new transportation era and using this opportunity to set clear priorities. What priorities am I talking about?

Number one: We are stabilizing our operating business. Our plants shut down in the middle of March. We restarted production from the beginning of May — still not at full capacity, of course. Our main focus now is securing our liquidity. As of the end of June, we had unrestricted cash reserves of €2.6 billion. Our credit lines amount to €5.6 billion. To support our liquidity reserve, we took out our first revolving credit line in the amount of €3.75 billion in July. This makes our financing framework more flexible and

underscores our banks' confidence in our strategy. In other words, our balance sheet structure is rock solid. To make sure it stays that way, we pursue strict cost and expense management. We constantly ask:

- What serves the business?
- What do we need to stay fit for the future?
- When is an investment vital?

Despite our cost discipline, we continue to focus on investing in key issues for our future. After all, now it is all about creating strong products and services for a sustainable future.

About our second priority: Customer-focused innovation. It is an important pillar of our Global Champion Strategy. To move forward faster, we analyze which areas of expertise we can develop or expand for which brand in the most effective way. One thing is very clear: we will be sharpening our focus further in the future. In the months ahead, we will closely examine every ongoing development project and set new priorities. No rest for us when it comes to electrification: TRATON will have invested a billion euros in alternative drives by 2025. Despite the crisis.

A week ago, Scania launched its electrified series trucks for urban applications. These include a plug-in hybrid with a purely electrical range of 60 kilometers. And an electric truck with a range of up to 250 kilometers. In Scania's uncompromising quality. From now on, Scania will be launching further electric vehicles every year. Including for construction trucks and long-haul transportation. MAN is manufacturing a small series of its fully electric eTGM truck. Awarded the European Transport Prize for Sustainability 2020. Both brands will have launched serially produced electric city buses by the end of the year. Together with partners in Brazil, Volkswagen Truck & Bus is developing an entire network around its electric trucks — from production and charging infrastructure all the way to battery life cycle management. Our customers have a wide range of applications and requirements. This is why when it comes to drive technology, we maintain the required degree of openness to all types of technology but remain as focused as possible. Fuel cells are an alternative drive technology in this respect and are also something we are working on at TRATON. We currently have customers in Norway, for example, testing four fuel cell trucks.

As well as decarbonization, our second key topic of the future is digitalization. During Innovation Day a year ago, we presented the Scania AXL concept, an autonomous vehicle without a driver cab designed for mine operators. We also began a long-term cooperation with RISE, a Swedish research institute, in February. We are initially focusing on cyber security and artificial intelligence. This ensures we have a steady footing today and good prospects for the future. It also requires our brands to be strongly positioned — my third priority.

You do not need to look hard to find proof of our brands' potential:

- Scania is the first major manufacturer of heavy-duty commercial vehicles to have its climate protection goals recognized by the renowned Science Based Targets Initiative.
- MAN launched a new truck generation in February after 15 years — featuring the best working conditions for the drivers, new assistance systems like the traffic jam assist, and up to eight percent lower consumption. You can see the truck here on stage.
- Volkswagen Truck & Bus has significantly expanded its market share for trucks over 6 tons in Brazil in the first half of this year. And the new heavy-duty truck series METEOR premiered just a few weeks ago.

We have an enormous task ahead of us, that much is clear. After all, we want to achieve our profitability goal. That means a return on sales of 9 percent over a cycle for the Group as a whole. We had in-depth discussions in the Executive Board team in the last few weeks on the best way to go about this.

Our conclusion: We plan to give the members of the brand's executive boards increased responsibility for the profitability and performance of Scania, MAN, and Volkswagen Caminhões e Ônibus. Our brands need freedom in order to hit their profitability targets. An important issue we are currently looking at is the positioning of MAN. I am confident that there is a strong lion inside MAN. But we have to awaken it. Because it is also clear: right now the company is not where it could be. In order to get it there, restructuring measures are unavoidable. The week before last marked the start of joint discussions between the employer and employee representatives on the fundamental realignment of the company. The Executive Boards of MAN SE and MAN Truck & Bus SE presented a plan outlining the key aspects of the transformation to the General Works Council. We want to reach an agreement that is acceptable to all parties as soon as possible.

Our priority number four is the role of the TRATON holding company. As a holding, we add value to the Group. To become even better at that, we are currently reviewing our structures and processes. Doing so will make us an increasingly attractive employer for the most talented individuals in the market. And we are continuing to bundle our purchasing power. There is still room for improvement here. We are also initiating strategic issues of the future for the entire Group — because in that future, the classic core vehicle business will not be the only one calling the shots. We are absolutely confident that with the right partnerships, we will gain ground in new markets and fields of innovation more quickly than alone. This is why TRATON has had a clear focus on partnerships and alliances from the outset. The strategic partnership with US commercial vehicle manufacturer Navistar is of particular importance to us. You know that TRATON made an initial offer to acquire the outstanding common shares of Navistar at the end of January 2020 and increased it again on September 10. With good reason: For many truck

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manufacturers, North America is the most profitable market and, in absolute terms, the world's largest profit pool to which we currently have no direct access.

Plus, as electrification moves forward, requirements for commercial vehicles become more similar internationally, which means we can scale our offering even better.

Our cooperation with Japanese manufacturer Hino is another partnership we are very proud of. On the one hand, the joint venture allows us to leverage synergies in procurement. On the other, we plan to collaborate on all key electric powertrain components like engines, batteries, or auxiliary systems. In addition, we are investigating further possibilities to collaborate in other future fields of technology.

Ladies and Gentlemen,

Your TRATON is getting ready for a new era. We are using the coronavirus crisis to become even faster and more flexible. We are accelerating the development of our future technologies. And we are realigning the Group to make it even more powerful.

Regardless of who I talk to at TRATON — I always get this sense of passionate dedication to the future of the industry and of our Company. This makes me proud and even more confident.

Reliable and sustainable trucks and buses remain at the heart of a connected economy. And at TRATON, we want to be the driving force behind them.

Thank you very much.

